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REPORT OF THE
SENATE COMMITTEE ON URBAN AFFAIRS AND INDUSTRIAL DEVELOPMENT:
LOW AND MODERATE INCOME HOUSING

JANUARY 1989

"Housing development and ownership represent basic investments in a community's economic development. Good quality, affordable housing is a magnet to an area and a symbol of its social and economic health."

National Governors' Association, August 1986

Report prepared by:

Linda A. Zekor, Analyst
Richard Stickann, Analyst

Missouri Senate
Division of Research
State Capitol
Jefferson City, Missouri

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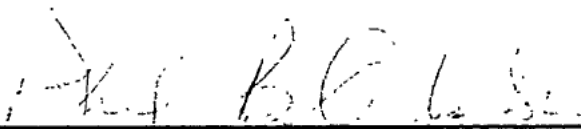
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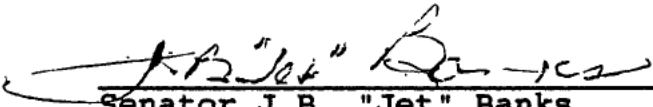
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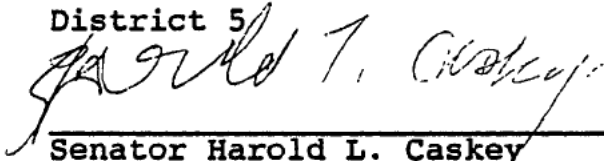
INTERIM STUDY COMMITTEE MEMBERS



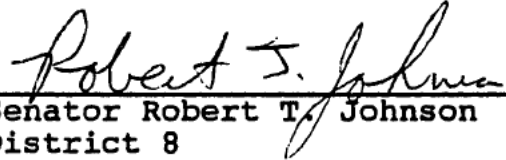
Senator Philip B. Curls, Chairman
District 9



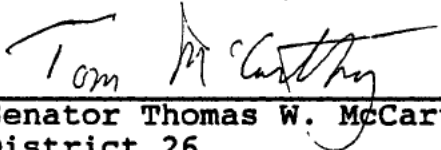
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EXECUTIVE SUMMARY

In Missouri, the shortage of safe and sanitary housing for people of low and moderate income is a critical and worsening problem. The common perception that housing is only unaffordable to poor, urban blacks is a delusion. Inability to obtain safe and sanitary housing is not a function of race, age, marital status or even employment status, nor is it a function of geographic location within the state. Shortages are equally apparent in rural and urban areas of the state.

Over the past four years, Missouri's cities and towns have lost \$3.8 billion in federal funds. It is perhaps more critical than ever before that local governments have access to state sponsored redevelopment incentives and funding, especially in rural areas which suffer from a lack of manpower, as well as financial resources. The relative importance of housing as a state priority needs to be evaluated in the context of unmet needs and diminished federal role.

Housing is inextricably tied to healthy communities, economic development, tax revenues, education, family stability and a productive workforce. For the remainder of this decade and beyond, housing will be an issue which Missouri policy makers can no longer afford to ignore. Helping to solve housing problems will be a major responsibility for state government in Missouri.

Solving housing problems is expensive; that is why this state must develop new approaches which maximize current resources and provide leadership, adequate funding and technical assistance for new housing initiatives.

RECOMMENDATIONS

Establish an adequately funded state housing trust fund to supplement cost of existing and prospective federal, state and local programs.

Promote development of public/private partnerships for construction and rehabilitation of housing through financial and tax incentives.

Develop comprehensive state housing policy to provide technical assistance, funding and coordination of existing programs and resources.

Begin tax abatement on properties acquired by urban redevelopment corporations when actual development is commenced, instead of at the time of property acquisition.

Amend existing urban redevelopment law to stipulate time period for acquisition and commencement of redevelopment projects, with exceptions.

Amend condemnation statutes to include urban redevelopment corporations in the relocation assistance requirements now imposed upon public agencies.

Ensure that state funds are proportionately allocated for programs in rural areas.

Develop programs in consultation with rural authorities in order to better identify and address rural needs.

Study feasibility of utilizing Regional Planning Commissions to assist in MHDC program information dissemination, administration and for provision of technical assistance to local governments.

Conduct performance audit to determine extent to which MHDC is effective in providing financing and programs for low and moderate income housing.

Minimum statewide fire, electrical and plumbing codes and enforcement requirements related to housing should be adopted.

Establish "developmental loan" requirements for interstate purchase of Missouri banks, as a method of increasing availability of low-interest loans.

Create a state low-income housing tax credit to parallel the federal tax credit.

Study feasibility of creating a state funded downpayment Assistance Program, which would provide low interest loans to low and moderate income persons.

Study feasibility of lease-purchase program to provide low interest rate mortgages and an option to save the amount necessary for a downpayment through two year leasing arrangement.

Provide state funded grants to local communities for housing development.

Fund state housing rehabilitation programs and use Regional Planning Commissions to provide technical assistance, coordination and referrals to related programs and services.

Create emergency fund to provide for short term payment of rent, mortgage and/or utilities on behalf of low-income tenants who face eviction, because of temporary financial difficulties. Intervention measures are more cost effective than assistance required after a home has been lost.

INTRODUCTION

Affordable rental housing and expansion of home-ownership have been the twin goals of U.S. housing policy for over 50 years. Housing programs and funding have been, until recent years, dominated by the federal government. In the past eight years, the federal assistance for low-income housing has been cut more severely than any other major federal activity. There are indications that any new federal effort will require state matching funds.

Many more people are living in substandard conditions, overcrowded, unsanitary dwellings; and some risk losing even that minimal shelter. Housing is a complex issue affected by numerous variables, each of which may serve to enhance or detract from the viability of state programs. In the absence of renewed federal commitment to low-income housing funding and program development become a state policy issue. Indications from Washington are that new or modified federal housing programs will require state matching funds.

In response to the shortage of affordable housing and the deterioration of housing stock in the State of Missouri, Senator Philip B. Curls, Chairman, Senate Committee on Urban Affairs and Industrial Development, initiated an interim study of housing for low and moderate income persons. The Senate Committee focused on the availability and affordability of housing in Missouri and the degree of need for such housing.

INTERIM STUDY DESIGN

Within the context of unmet needs and diminished federal participation, the committee first reviewed variables which have been identified in national housing studies as those having the greatest impact on the availability and affordability of housing. Those variables include substandard housing, federal participation, population, funding, gentrification, zoning, construction costs, rent increases.

The Committee subsequently identified state specific variables which may impact housing, including: urban redevelopment law, tax abatement, eminent domain, Missouri Housing Development Commission (MHDC), funding, building codes, zoning practices and local government. Identifying national and state specific variables provided the framework for the Committee's study and allowed for comparative analysis of the potential synergism among variables.

The committee conducted both educational and public meetings. Educational sessions involved persons from the public and private sector who are directly participating in programs affecting low and moderate income housing. Practitioners provided members with information on current programs, funding sources, current and anticipated needs, identified obstacles and made suggestions for change. Public hearings were conducted to allow for the presentation of public comment on current housing problems. The committee also traveled to Washington, D.C. to meet with key members of Congress, to obtain insight into the probable course of federal initiatives in this area.

Four meetings were conducted which included educational and/or public components. The committee heard testimony pertaining to St. Louis, St. Louis County, Bowling Green, Warrenton, Clayton, University City, Normandy, Kansas City, Jackson County, Maryville, Cape Girardeau, Fredericktown, Hayti, Poplar Bluff, Malden and Flat River. Practitioners represented local governments, developers, community action agencies, local housing authorities, regional planning commissions, home builders, financial institutions, MHDC, Department of Housing and Urban Development (HUD) and shelter operators.

FEDERAL OVERVIEW

The Senate Committee on Urban Affairs and Industrial Development met with members of Congress, as part of the Committee's interim study of low and moderate income housing. The purpose of the meetings was to clarify and expand upon the intent, direction and substance of prospective federal participation in the provision of housing.

Assessment of federal activity is a vital component in the design of state housing policy, legislation and programs. Action or inaction at the federal level directly impacts this state's housing development. Provision of affordable housing for low and moderate income persons has traditionally been dominated by the federal government. Over the past ten years, a dramatic shift in the federal role has occurred and states are being forced to respond in both program and fiscal areas.

The following is a brief discussion of the findings from those meetings.

PROSPECTIVE FEDERAL PARTICIPATION

The federal government has slowly receded from the role of primary funding and program participant for the provision of low and moderate income housing. Funding for housing programs has been cut more severely than any other major federal activity (77% since 1980). Reduction and retraction appear to be the result of several key factors.

Federal Deficit

Housing programs were easy targets for deficit reduction efforts. Cumbersome programs, large budgets, low political priority and direct ties to the tax code made this a viable area for deep cuts, in an era of revenue driven decision making. The Committee was advised that the mandate for deficit reduction would continue to restrain budgets, program development and tax incentives. Retention of some current housing related tax credits is probable with sunset periods ranging from two to five years, which will reduce the effectiveness of those credits, by creating uncertainty for developers. States should not expect more than incremental increases in federal aid and those increases may not occur for several more years. Further reductions are not expected.

Political Priority

Until an issue develops as a political priority, the likelihood of success in increasing funds or expanding programs is practically nonexistent. Housing was not a priority issue with the previous administration, in part because it was not viewed as a role the federal government should continue to fulfill. The Committee was informed that housing is an issue that has been gaining increased attention, i.e. political priority, in Congress which means that the new Administration will be under more pressure to place housing on the agenda. The intensity of federal efforts remains to be seen.

Inadequacy of Existing Programs

Housing is expensive and the federal government has poured billions of dollars into existing HUD programs. Current sentiment is that many of these programs have failed to achieve goals embodied in enabling legislation. Massive housing projects developed during the 1960's have failed for a variety of reasons and are no longer perceived as the appropriate means of housing lower income persons. Programs were not reaching targeted populations. Congress is reviewing traditional methods of funding, oversight, state administration, program structuring and ways to preserve the existing stock of low income housing.

The Committee was advised that Congress is working on new federal housing legislation. Prospective legislation will place more emphasis and responsibility on state government administration of programs, participation by local government, nonprofit organizations and involvement of the private sector. Funding will likely be in the form of block grants and participation in many programs would require state matching funds. Promotion of a federal, state, local and private partnership in the provision of housing is viewed as the most desirable structuring for new housing policy.

Program Philosophy

The previous administration shifted the emphasis of federal housing programs from construction to rent subsidy. New construction programs cost substantially more than a dollar to provide a dollar's worth of housing services. Housing vouchers,

which allow recipients to occupy existing private units, are perceived to be a more efficient use of scarce financial resources.

The Bush administration is not likely to deviate from that philosophy. Private sector construction of housing, with federal government subsidy of rents for eligible recipients, will undoubtedly remain the primary component of federal involvement in housing.

MISSOURI OVERVIEW

Irrespective of geographic location, the shortage of safe and sanitary housing for low and moderate income people was identified as a critical, chronic and worsening problem. Shortages were equally apparent in rural and urban areas. Inadequate funding, lack of state leadership, fragmentation of services and inferior program assistance and delivery were viewed as primary contributors to the current housing problems in Missouri.

"Housing development and ownership represent basic investments in a community's economic development. Good quality, affordable housing is a magnet to an area and a symbol of its social and economic health." (National Governors' Association, 1986) Housing development is related to other types of investment in a community and may even contribute significantly to the local economy. Housing also represents a major portion of the local tax base.

When studying housing, one is actually examining many other aspects which affect individual and collective social and financial well-being. Quality of life, community development, economic development, local revenues, public education, family stability, industrial development and employment are all related to high quality, affordable housing. In some respects, the condition of the housing stock in or around any given area of the state, provides a visible forecast for the future of that community.

Low and moderate income people include the elderly, single-parent households, farm workers, service industry workers, young couples with children, employed and unemployed and the handicapped.

"It [housing problems] includes families living in deteriorated and substandard housing. It includes families who live in decent housing but pay too much of their income for rent. It includes a large number of working people who continue to save and scrape trying to put together a down payment...so they can own a house, but at the same time watch the market rise faster than their income. We have elderly folks that have one light cord hanging down and they run everything in their house off one light cord. It includes families who can't rent housing they want to rent and who can afford it, because of the color of their skin they are discriminated against. It includes families who can't rent housing because they have children."

(Testimony, 1988)

The common perception that housing is only unaffordable to poor, urban blacks is a delusion. Inability to obtain safe and sanitary housing is not a function of race, age, marital status or even employment status, nor is it a function of geographic location within the state.

Flexibility in state law to allow for tailored application of resources is essential. Solutions or programs that work for one community will not work for another. Because of finite financial resources, cities must be able to fit the solution to the problem.

"The housing problem has many faces, all of them interrelated in some way. It's a problem of income and market. It's a problem of housing conditions and housing supply. It's a problem of neighborhoods and social services. Whatever solutions that the state is going to offer, flexibility is a key."

Tim Barry, St. Louis Equity Fund

The Committee is currently working on a legislative package which would afford such flexibility.

Urban redevelopment laws have enabled many urban areas to begin to address the issue of housing. Cities with populations of 4,000 or more have the authority to grant redevelopment rights to urban redevelopment corporations. To date, approximately 15 cities have operated projects under Chapter 353. St. Louis and Kansas City have been the most active.

The underpinning of state redevelopment law is an assumption that local governments are in the best position to evaluate proposed projects within their boundaries. Residents of those political subdivisions have the ability to impact the outcome of project decisions, through their elected officials. Residents and elected officials must work together for the benefit of their community. Everyone has a stake in the outcome. Rigidity in state law would limit the creativity of both the city and its' residents.

RURAL MISSOURI

"It is very important that the Senate Urban Affairs Committee be made aware...of the tremendous shortage of housing in the Bootheel area." (Mayor Humes, Hayti Heights)

It should be noted that, despite resources for housing development being predominantly targeted to urban areas, the contention that housing problems are particularly acute in urban areas and not so dramatic in rural areas is false. Indeed, it is quite the opposite, with rural areas experiencing an extensive,

albeit dissimilar degree of housing problems relative to urban areas in the state.

Rural areas in Missouri, particularly the Southeast and Northwest parts of the state, have unique characteristics that will require equal inclusion in the development of programs and policies to reduce housing problems.

Though in terms of numbers, rural areas do not have comparable units in the same condition as found in urban areas, the physical condition of rural units are worse. Substantial rehabilitation or new construction must be a component of programs to serve rural areas. Affordability problems are on the rise in rural areas where poverty rates are generally higher than in urban areas. Unemployment levels in many rural areas are beginning to surpass the traditionally high rates in urban areas. Further, the farm crisis has contributed to poor economic conditions.

Delivery of programs to rural areas has been primarily through the Farmers Home Administration, although the Department of Housing and Urban Development does serve rural areas. However, HUD has reduced their assistance and is allocating fewer dollars to rural areas.

Rural areas of Missouri are diverse in their needs and problems. The supply of affordable housing, the availability and cost of credit, as well as an appropriate kind and level of assistance which takes into consideration that rural areas have significant housing problems as much as the urban areas, must be considered in the development of any housing policy.

DISCUSSION AND FINDINGS

Housing is a complex issue affected by numerous variables. Availability and affordability of housing are coterminous in many cases. The following is intended to provide a more detailed discussion of specific components, identified during the course of this study, which have an impact on the current housing situation in Missouri. Findings were developed as a result of testimony offered at the hearings and through the Committee's independent investigations.

FUNDING

Discussion: Federal assistance for low-income housing has decreased more dramatically than for any other federal program. An eight year decline in provisions for low and moderate income housing has prevented expansion of current programs and retarded development of new housing initiatives. State governments are being forced to fill the void. "Every region in the state of Missouri needs to get into this [housing] and we need adequate funding..." (Dan Bollinger, Bootheel Regional Planning and Economic Development Commission)

Findings: Without exception, the shortage of funds for new and existing programs was identified during testimony as the greatest barrier to the provision and preservation of housing statewide. With reductions in the level of financial assistance offered by the federal government, state funding becomes a necessary adjunct.

"The cost of direct rent subsidies is about \$300 per month [per family]. We house about 4,500 families. This translates into a current annual cost of nearly \$16 million. Our waiting list total is approximately 14,000 households. To house the additional households would cost another \$50 million each year."

Housing Authority of St. Louis County, 1988

Currently, the state of Missouri does not provide any general revenue funding for housing programs. "It's a problem that the state of Missouri faces and it seems to me that the people of Missouri ought to share in the solution." (Testimony, 1988) Funding is needed for local governments, regional planning commissions, community action agencies, local housing authorities and for leveraging federal and private dollars.

TAX ABATEMENT

Discussion: Property tax abatement is a tool used by cities to provide incentives for developers. Housing related tax abatement is granted primarily under the authority of Chapter 353, Urban Redevelopment Law. The abatement period may not extend past twenty-five years. For the first ten years, taxes are paid only on the unimproved value of the property. For the next fifteen years, taxes may be assessed at no more than fifty percent of the current value with improvements. Tax abatement is intended to serve as an incentive to private developers, by reducing the overall cost of development.

Findings: Tax abatement has the effect of lowering rent and mortgage payments, thereby making more units affordable to low and moderate income persons. Tax abatement alone is not enough of an incentive for private developers to invest in redevelopment

projects and is usually used in combination with several other tools, all of which are needed to reduce the cost of construction or land acquisition.

Loss of revenue to taxing districts as a result of abatement was also examined. In most cases, abatement has the effect of halting a process of decline and related loss in taxes, attributable to declining property values. The loss to taxing districts appears to be more in a prospective sense, i.e., the loss of full taxation on the value of the improved property. Table 1 provides a comparison of property tax revenue lost due to continual decline and amounts foregone from redevelopment, in the city of St. Louis.

EMINENT DOMAIN

Discussion: Urban redevelopment law (Chapter 353) allows a political subdivision to grant the power of eminent domain to redevelopment corporations formed under the authority of that chapter. Eminent domain is one tool that the redevelopment corporation may use to acquire property for a redevelopment project. Missouri is the only state in the nation that has the option of granting such a power to private developers.

Findings: The use of eminent domain by the redevelopment corporation and the power of the political subdivision to grant that right to the corporation was most frequently discussed within the context of Chapter 353. Reduction in the number of low and moderate income units, displacement and lack of reasonable standards for blight designation were cited repeatedly as being negative impacts of the power of eminent domain.

Table 1
City of St. Louis
Annual Property Tax Losses To Taxing Districts
Without Redevelopment
(\$M 1987)

	Estimated Annual Property ¹ Tax Losses Without Redevelopment	Annual Revenues Foregone from Redevelopment
City	\$-21.8M	\$ 4.4M
Schools	-53.3	10.5
Sewers	-3.5	0.7
Junior Colleges	-3.5	0.7
Library	-3.5	0.7
Zoo/Museum	<u>-2.5</u>	<u>0.5</u>
Total	\$-87.0M	\$17.5M

¹Assumes the property tax base would continue to decline by the 1960-1980 average of 6.2% a year.

Sources: Office of the Assessor, 1987

The Committee was unable to substantiate claims of displacement, i.e., low and moderate income people are not 'being dragged from their homes and thrown out on the street'. Independent investigation by the Committee revealed that in most cases, where relocation is necessary, households are moved out of substandard units for which they pay disproportionately high rents, into high quality new or rehabilitated units at a comparable or lower price.

In St. Louis, eminent domain has only been used to acquire property in less than 2% of the total redevelopment efforts. Representatives of political subdivisions maintained that putting limits on local authority to grant eminent domain would be a barrier to local planning and development and act as a disincentive for developers. Eminent domain provides the developer predictability in project implementation by ensuring site availability.

MISSOURI HOUSING DEVELOPMENT COMMISSION (MHDC)

Discussion: MHDC is a quasi-governmental body, attached to the Department of Economic Development. The Commission's primary function is to provide financing to projects involving low and moderate income housing. MHDC was accused of contributing to homelessness by financing projects which resulted in displacement. The Commission is viewed as totally ineffective in rural areas of Missouri and ineffective in providing statewide guidance and coordination of programs.

Findings: Many involved in low and moderate income housing believed that MHDC would serve as a statewide housing authority and policy center. The express mission of the Commission is to generate revenue for projects involving low and moderate income housing. As such, MHDC is a financing authority, as opposed to a statewide planning and policy center.

"If we could get everybody involved working toward one end, we would be a lot further down the road than we are today. There is no coordinated approach to it [housing] whatsoever." (Dan Bollinger, RPC) The mission of MHDC should be expanded to enable that organization to develop a statewide housing strategy which would provide for coordination of services between all levels of government and the private sector.

The Committee was unable to substantiate claims pertaining to displacement and believes those claims to be false. MHDC "...will not consider any project for financing that has existing tenants that does not have an acceptable relocation plan." (Dick Grose, Dir. MHDC)

SUBSTANDARD HOUSING

Discussion: Much of existing low and moderate income housing stock has deteriorated. The high cost of rehabilitation discourages maintenance of these units and many are abandoned or demolished. Many elderly are unable to afford repairs on their homes, especially in rural areas. Substandard housing is a barrier to many existing federal assistance programs, such as Section 8 rent subsidy, because these units can not meet even minimal standards for health and safety of the occupants.

to live crowded up or they have to resort to living in their cars or in condemned buildings, like the young lady in one of our towns that was seven months pregnant, living in a condemned building, with no heat or water." (Carla Potts, North East Community Action Corporation)

North, east, west, south and central Missouri must cope with the issue of homelessness. Local governments in small towns do not have the resources to operate shelters. "We need to house the homeless wherever they are..." (Mayor Hume, Hayti Heights) The problems associated with homelessness are exacerbated in many rural areas because of migrant populations.

LOCAL GOVERNMENTS

Discussion: Local governments, especially in rural areas, do not have the funding, manpower or technical expertise to provide for housing needs in their communities. "They do not have the tax base or the funding to hire people to attack the housing problem." (Bollinger, RPC)

Findings: Whether through expanded assistance programs implemented by MHDC or legislative implementation of a plan which would incorporate and fund Regional Planning Commissions and/or other local entities to provide technical and administrative assistance, local governments need state assistance to address their housing problems.

BUILDING CODES/ZONING

Discussion: Building codes and zoning are functions of local government. The state of Missouri has not adopted even

"We've discovered that...lending in low and moderate income neighborhoods is not only part of our civic responsibility but I think it can be profitable. I think we are an example not only to Missouri but we are getting national recognition for our program." (John White, Boatmen's National Bank, St. Louis)

location. Zoning ordinances and also building codes may also impact the price of housing by imposing requirements which price housing units out of the low income market.

CITIES, TOWNS AND VILLAGES: ZONING AND PLANNING: CHAPTER 89

The powers delegated under this chapter are similar to those for counties under Chapter 64. The affects are the same as those described in the discussion of Chapter 64.

MUNICIPAL HOUSING: CHAPTER 99

Housing Authorities Law

This section of Chapter 99 requires the creation of a municipal housing corporation in each city if the governing body determines a need for such authority to function. The structure of these authorities is designed for low and very low income housing. However, moderate income housing can be provided in conjunction with low and very low only if the authority can demonstrate that private sector development for moderate housing is unavailable or economically impractical. The housing authority may participate with other public or private entities in copartnership, joint ventures or co-ownership arrangements with developers including Chapter 353 developers. Authorities are subject to local planning, zoning and building laws.

Land Clearance for Redevelopment Law

These authorities may be created in each county and municipality if approved by the governing body when it finds that there is one or more blighted area and that redevelopment is necessary. In municipalities under 75,000 approval is by

election. The process provided under this law may be used alone or in combination with Chapter 353 by contracting with redevelopers or conveying land to Chapter 353 developers.

Real Property Tax Increment Allocation Redevelopment Act
(TIF)

This law differs from tax abatement under Chapter 353 in that the developer pays an amount equal to full taxes but may receive the advantage of public improvements and other assistance without any charge to the developer, so that project may proceed at less initial cost to the developer. Any political subdivision may establish a TIF by ordinance. Bonds issued are revenue bonds and may be used to pay all permitted project costs.

PLANNED INDUSTRIAL EXPANSION LAW: CHAPTER 100

This law is designed to assist in industrial and commercial redevelopment in all home rule charter cities. It also allows for the development of multifamily housing. Projects must be authorized by resolution or ordinance of the local governing body which first must determine that there are one or more blighted areas in the city and that they are in need of industrial development. Chapter 353 developers may use Chapter 100 for redevelopment purposes and may secure tax abatement under this Chapter only if approved by a three-fourths vote of the local governing body. No displacement assistance is provided.

ENTERPRISE ZONES: URBAN REDEVELOPMENT: CHAPTER 135

This law is affected by Chapter 353 in that when a revenue producing enterprise under Chapter 135 is a low or moderate

income housing project, and residents in the zone are displaced because of that project under the condemnation authority of Chapter 353, then assistance and displacement expenses must be provided.

STATE HOUSING LAW: CHAPTER 215

This law creates the Missouri Housing Development Commission (MHDC). MHDC may purchase mortgages for financing the building, purchase or rehabilitation of residential housing designed for rental or sale to low or moderate income persons. The Commission also may make loans for construction of such housing only if such loans are not available from private lenders. The Commission may issue revenue bonds for the purposes described above.

URBAN REDEVELOPMENT CORPORATIONS LAW: CHAPTER 353

Private redevelopment corporations may be established for the planning, clearing, construction or rehabilitation in blighted areas. An area may be declared blighted by the governing body of a city for reasons of physical obsolescence, deterioration or inability to pay reasonable taxes. Chapter 353 corporations may be granted powers of eminent domain and real estate tax abatement by the local governing body. The redevelopment plan approved by the governing body may incorporate provisions for zoning changes necessary to carry out the plan, but approval of the plan does not automatically enact zoning changes. There are no requirements for relocation assistance to occupants displaced by provisions of Chapter 353. Approval of Chapter 353 corporations rights and ordinance activities are to

be fixed as to times including provisions of tax abatement and property acquisition.

CONDEMNATION PROCEEDINGS: CHAPTER 523

This Chapter provides for procedures of condemnation of certain lands for public use. Chapter 353 developers, when granted the power of eminent domain may exercise such power in the manner provided for in this chapter. When this power is used and persons are dislocated because of its use then relocation assistance must be provided when the property is acquired for public use by the state or a political subdivision and when the property is acquired with state or local funds.

APPENDIX B

Witness List

The Committee would like to thank all of those who participated in the hearings. Your testimony was invaluable and a necessary part of any effort to improve housing conditions in this state. We apologize for any names which may have been omitted or misspelled.

Dan Bollinger, Bootheel Regional Planning and Economic
Development Commission, Malden
David Hume, Mayor, Hatyi
Don Bell, Ozarks Foothills RPC, Poplar Bluff
Gary Wickliffe, Ozarks Foothills RPC, Poplar Bluff
Tim Barry, President, St. Luis Equity Fund, St. Louis
John White, Boatmen's National Bank, St. Louis
John Callen, Executive Director, St. Louis County Housing
Authority, St. Louis
Carla Potts, North East Community Action Corporation, Bowling
Green
Linda Neal, North East Community Action Corporation, Bowling
Green
Tim Fischesser, Executive Director Normandy Municipal Council
Janet Majerus, Mayor, University City
Joan Botwinick, Adequate Housing for Missourians
Janet Becker, Adequate Housing for Missourians
Mike McGrath, St. Louis
Bob Nukemeyer, Freedom of Residents
Charles O'Rourke, St. Louis
Mildred Bone, St. Louis
Joel Montgomery, Shrewsbury
Jean Daugherty, St. Louis
Vivian Bradford, St. Louis
Christina Ledbetter, St. Louis
Betty Tettebaum
Lucille Sawyer, St. Louis
John Benda, St. Louis
Jeffrey Hamilton, St. Louis
Betty Hamilton, St. Louis
Joseph Donnell, St. Louis
Robin Cobin
Raymond Redlick, St. Louis
William Vaughn, St. Louis
Julia Coons, St. Louis
Timothy McKain, Missouri Valley Human Resources Development
Corporation
Marlene Nagel, Mid-America Regional Council
Percy Penn, United Services of Greater Kansas City

Reverend Whitney, Kansas City
Dianna Hatfield
Dick Grose, Misosuri Housing Development Commission
Colleen McCarty
Carol Graves, Community Services Inc., of Northwest Missouri
Carl Struby, Kansas City School Board
John Kelley, Manager, Division of Property Jackson County
Irving Achtenberg
Ralph Ochsner
Mike White
Mark Bunnell
Mike Gudermuth, SEMO Alliance for Disability, Independence
Toni Powell, Tri-County Human Development Corp., Development
Resource Center
David Humes, Mayor, Hayti Heights
Amanda Glascock, SEMO Alliance for Disability, Independence Local
Chapter of Governor's Committee for Employment of
Handicapped
Edward Snider, Cape Girardeau
Robert Lunzford, East MO Action Agency, Fredericktown
Don Bell, Ozark Foothills RPC, Poplar Bluff
Lillian Tucker, St. Francois County Public Housing Authority,
Flat River

APPENDIX C.

SOURCE: Ochsner - Hare & Hare, Kansas City, Missouri

State of Missouri Approved 353 Projects

Kansas City

Chronological Listing of Kansas City 353 Redevelopment Corporations

RIVERSITE (1950)

Use: Quality Hill Tower Apartments
Address: 817, 905-29 Jefferson
Contract Approved: 1950
Required PILOT: No
Taxes Start at 50%: 1961
Taxes Start at 100%: 1976
Land Assessment: \$79,740
Improvements Assessment: \$695,680

RIVERPARK (1950)

Use: Quality Hill Tower Apartments
Address: 707 West 10th; 1020 Jefferson
Contract Approved: 1950
Required PILOT: No
Taxes Start at 50%: 1961
Taxes Start at 100%: 1976
Land Assessment: \$77,820
Improvements Assessment: \$472,160

HEREFORD (1951)

Use: American Hereford Association
Address: 715 Hereford Drive
Contract Approved: 1951
Required PILOT: No
Taxes Start at 50%: 1962
Taxes Start at 100%: 1977
Land Assessment: \$71,260
Improvements Assessment: \$323,880

WEST TERRACE (1955)

Use: Quality Hill Tower Apartments
Contract Approved: 1955
Required PILOT: No
Taxes Start at 50%: 1969
Taxes Start at 100%: 1984
Land Assessment: \$42,810
Improvements Assessment: \$634,910

CLIFF HOUSE (1955)

Use: Hotel
Address: 610 Washington
Contracts Approved: 1955 and 1961
Required PILOT: No
Taxes Start at 50%: 1971
Taxes Start at 100%: 1986
Land Assessment: \$737,730
Improvements Assessment: \$889,710

WEST SIDE (including Clark's Point and Washington Avenue) (1955)

Address: Ninth and Pennsylvania
Contract Approved: 1955 - project abandoned
Required PILOT: No

ATTUCKS (1960)

Use: Parade Park, South Parade Park, East Parade Park
Address: 1801 East 15th Terrace; 1701 Woodland;

ATTUCKS, cont.

Address: 1510-60 Garfield
Contract Approved: 1960
Required PILOT: Yes
Taxes Start at 50%: 1962, 1964, 1965
Taxes Start at 100%: 1977, 1979, 1980
Land Assessment: \$46,510
Improvements Assessment: \$112,740

DELAWARE (1963)

Use: Parking Garage, Bank
Address: 800-850 Main
Contract Approved: 1963
Required PILOT: Yes
Taxes Start at 50%: 1975
Taxes Start at 100%: 1990
Land Assessment: \$91,650
Improvements Assessment: \$203,550

RIVER HILLS (1965)

Use: River Hills Mark I, River Hills Mark II
Address: 700 East 8th; 610 East 8th
Contract Approved: 1965
Required PILOT: Yes
Taxes Start at 50%: 1978, 1981
Taxes Start at 100%: 1993, 1996
Land Assessment: \$109,270
Improvements Assessment: \$788,190

NORTHSIDE (1965)

Use: Motel Complex, Motel Parking, Walnut Towers, AT&T Building, Skelly Gas Station.
Address: 600, 601, 701, 710-710A, 811 Main; 600, 710-22 Walnut
Contract Approved: 1954
Required PILOT: No
Taxes Start at 50%: 1965, 1967, 1968, 1971
Taxes Start at 100%: 1980, 1982, 1983, 1986
Land Assessment: \$1,588,140
Improvements Assessment: \$4,682,150

MID-CONTINENT MART (1966)

Use: Office Building and Parking Garage
Address: 720 Main
Contract Approved: 1966
Required PILOT: Yes
Taxes Start at 50%: 1983
Taxes Start at 100%: 1998

Land Assessment: \$140,930
Improvements Assessment: \$494,370

CROWN CENTER (1967)

Use: Office Complex, Underground Parking, City Bank & Trust, Hall's Department Store, Tunnel, Overpass, Apartments, Condominiums, Parking Garage, Hotel, Festival, Technology Center, Underground Power.
Address: 2200-2600 Grand between McGee and Pershing
Contract Approved: 1967
Required PILOT: No
Taxes Start at 50%: 1980, 1982, 1983, 1986, 1988, 1990, 1995
Taxes Start at 100%: 1995, 1997, 1998, 2001, 2003, 2005, 2010
Land Assessment: \$2,110,120
Improvements Assessment: \$16,529,870 with 5 parcels to be determined.

GREYSTONE HEIGHTS (1967)

Use: Baby Doe's Restaurant, Underground Entrance
Address: 1650 West 26th Terrace; 1501 West 27th Terrace
Contract Approved: 1967
Required PILOT: Yes
Taxes Start at 50%: 1979
Taxes Start at 100%: 1994
Land Assessment: \$78,350
Improvements Assessment: \$66,600 with 18 parcels to be determined.

LINCOLN GARDENS (1969)

Use: Apartment Project
Address: 1601-1759 East 21st; 1602-1764 East 22nd; 2101-11 Vine
Contract Approved: 1969
Required PILOT: Yes
Taxes Start at 50%: 1981
Taxes Start at 100%: 1996
Land Assessment: \$16,360
Improvements Assessment: \$94,320

CROSSTOWN (Kansas City Downtowr) (1970)

Contract Approved in 1970 - project not begun by May 1986
Required PILOT: Yes

STANDARD THEATRE (1974)

Use: Follies Theatre, Parking Lot
Address: 300, 310 West 12th
Contract Approved: 1974
Required PILOT: No
Taxes Start at 50%: 1986
Taxes Start at 100%: 2001
Land Assessment: \$52,530
Improvements Assessment: \$1,110 (Land Clearance Redevelopment Authority owns the theatre.)

PERSHING SQUARE (1974)

Use: Office Building, Amtrak Station
Address: 2200, 2300, 2301 Main
Contract Approved: 1974
Required PILOT: Yes
Taxes Start at 50%: 1990, 1995
Taxes Start at 100%: 2005, 2010
Land Assessment: \$757,550
Improvements Assessments: To be determined

KENSINGTON PLACE (1977)

Use: Elderly High-Rise, Single Family Residential
Address: 1600 Jackson
Contract Approved: 1977
Required PILOT: Yes
Taxes Start at 50%: 1989, 1990
Taxes Start at 100%: 2004, 2005
Land Assessment: \$108,390
Improvements Assessment: To be determined

CUMBERLAND (1980)

Use: Bunker Building, Stilwell Building, Office and Commercial Buildings.
Address: Parcels between 8th and 9th at and on Baltimore
Contract Approved: 1980
Required PILOT: Yes
Taxes Start at 50%: 1992, 1994, 1996
Taxes Start at 100%: 2007, 2009, 2011
Land Assessment: \$120,610
Improvements Assessment: To be determined, 4 parcels.

EIGHTEENTH & VINE (1980)

Use: Commercial Building, Lincoln Building
Address: parcels of 16th to 19th and Highland to Vine

Contract Approved: 1980

Required PILOT: No

Taxes Start at 50%: 1991, 1992, 1994, 1996

Taxes Start at 100%: 2006, 2007, 2009, 2011

Land Assessment: \$58,770

Improvements Assessment: To be determined

WESTSIDE (1980)

Use: Single-Family Residential
Address: 1817, 1821, 1831, 1835, 1917 Jefferson
Contract Approved: 1980
Required PILOT: No
Taxes Start at 50%: 1993
Taxes Start at 100%: 2008
Land Assessment: \$1,770
Improvements Assessment: To be determined

UNION HILL (1980)

Use: Residential and Commercial Projects
Address: Parcels within 29th to 31st and Grand to Walnut
Contract Approved: 1980
Required PILOT: No
Taxes Start at 50%: 1991, 1992, 1993, 1994, 1995, 1996
Taxes Start at 100%: 2006, 2007, 2008, 2009, 2010, 2011
Land Assessment: \$67,490
Improvements Assessment: To be determined, 76 parcels

POSADA (1980)

Use: Elderly High Rise Apartments
Address: 1735 Summit
Contract Approved: 1980
Required PILOT: No
Taxes Start at 50%: 1992
Taxes Start at 100%: 2007
Land Assessment: \$3,170
Improvements Assessment: To be determined

BELLERIVE (1981)

Use: High-Rise Apartment, Parking Lot
Address: 205, 209, 211, 213 East 34th Terrace; 214 East Armour
Contract Approved: 1981
Required PILOT: No
Taxes Start at 50%: 1993
Taxes Start at 100%: 2008

BELLERIVE, cont.

Land Assessment: \$25,440
Improvements Assessment: To be determined

WENDY'S 31ST STREET (1981)

Use: Restaurant, Office Space
Address: 3118 Main
Contract Approved: 1981
Required PILOT: Yes
Taxes Start at 50%: 1993
Taxes Start at 100%: 2008
Land Assessment: \$22,030
Improvements Assessment: To be determined

LANDMARKS (1981)

Use: Central Exchange (old Fire Station), Parking
Address: 301-03, 305-11 West 10th; 1016-20 Central
Contract Approved: 1981
Required PILOT: No
Taxes Start at 50%: 1993, 1996
Taxes Start at 100%: 2008, 2011
Land Assessment: \$155,030
Improvements Assessment: To be determined

BOARD OF TRADE (1981)

Use: Board of Trade Building
Address: 4900 Main
Contract Approved: 1981
Required PILOT: Yes
Taxes Start at 50%: 1993, 1994
Taxes Start at 100%: 2008, 2009
Land Assessment: \$29,530
Improvements Assessment: To be determined

GALLERIA TOWN CENTER (originally included Block 93, Block 110, Block 111 and One Kansas City Place) (1982)

Use: Office Space Parking Garage
Address: 6, 18 East Petticoat Lane
Contract Approved: 1982
Required PILOT: Yes
Taxes Start at 50%: 1985, 1987
Taxes Start at 100%: 2000, 2002
Land Assessment: \$122,850
Improvements Assessment: To be determined

TOWER (1983)

Use: New Office Building
Address: 1007 Main; 1002, 04, 06 Walnut
Contract Approved: 1983
Required PILOT: Yes
Taxes Start at 50%: 1994, 1995
Taxes Start at 100%: 2009, 2010
Land Assessment: \$373,020
Improvements Assessment: To be determined

UNITED MISSOURI (1983)

Use: Office Building
Address: 1020 Grand
Contract Approved: 1983
Required PILOT: Yes
Taxes Start at 50%: 1996
Taxes Start at 100%: 2011
Land Assessment: \$839,430
Improvements Assessment: To be determined

FORTY-FIFTH & MAIN (Main Street Corridor and Property Company of America) (1983)

Use: Hotel, Office Complex
Address: 4425-27, 4435 Main; 4408, 4410, 4414, 4418 Walnut
Contract Approved: 1983
Required PILOT: Yes
Taxes Start at 50%: 1994, 1995
Taxes Start at 100%: 2009, 2010
Land Assessment: \$239,430
Improvements Assessment: To be determined

LINWOOD COMMUNITY REDEVELOPMENT CORPORATION (1984)

Use: Office Building, Retail Center
Address: 31st and Linwood
Contract Approved: 1984
Required PILOT: Yes
Taxes Start at 50%: 1996
Taxes Start at 100%: 2011
Land Assessment: \$100,390
Improvements Assessment: To be determined

BLOCK 93 (1984)

Use: AT&T Town Pavilion
Address: 1122, 1130 Walnut; 1101 Main
Contract Approved: 1984
Required PILOT: Yes
Taxes Start at 50%: 1995

BLOCK 93, cont.

Taxes Start at 100%: 2010

Land Assessment: Exempt - owned by LCRA Im-

provements Assessment: To be determined

FORTY-SIXTH & MADISON (1984)

Use: Office Building

Address: 4511, 4523, 4537, 4545 Belleview; 4530, 4538, 4542, 4544, 4546 Madison

Contract Approved: 1984

Required PILOT: Yes

Taxes Start at 50%: 1995, 1996

Taxes Start at 100%: 2010, 2011

Land Assessment: \$257,900

Improvements Assessment: To be determined

BLOCK 111 (1984)

Use: AT&T Town Pavilion Parking Garage

Address: 12th to 13th and Grand to Walnut

Contract Approved: 1984

Required Pilot: Yes

Taxes Start at 50%: 1997

Taxes Start at 100%: 2012

Land Assessment: Not available

Improvements Assessment: Not available

OLD TOWN (1984)

Contract approved in 1984 - project not begun by May 1986

Required PILOT: Yes

ONE KANSAS CITY PLACE (1985)

Use: New Office Building

Address: 12th and Main

Contract Approved: 1985

Required PILOT: Yes

Taxes Start at 50%: 1996

Taxes Start at 100%: 2011

Land Assessment: \$531,450

Improvements Assessment: To be determined

QUALITY HILL (1985)

Use: Primarily Residential, Office

Address: Parcels within 10th and 12th and Broadway and Pennsylvania

Contract Approved: 1985

Required Pilot: Yes

Taxes Start at 50%: 1996

Taxes Start at 100%: 2011

Land Assessment: \$232,210

Improvements Assessment: To be determined, 35 Parcels

BLOCK 110 (JONES) (1986)

Use: Retail and Office

Address: 12th to 13th and Main to Walnut

Contract Approved: 1986

Required Pilot: Yes

Taxes Start at 50%: to be determined

Taxes Start at 100%: To be determined

Land Assessment: \$948,700

Improvements Assessment: To be determined

BRUSH CREEK (1986)

Use: Office, Residential, Retail

Address: Brush Creek Boulevard, Oak, Volker and Kansas City Transit right-of-way

Contract Approved: 1986

Required PILOT: Yes

Taxes Start at 50%: To be determined

Taxes Start at 100%: To be determined

Land Assessment: \$616,390

Improvements Assessment: To be determined

PLAZA STEPPES (1986)

Use: Office and Residential

Address: 46th to 47th and Jefferson to Summit

Contract Approved: 1986

Required PILOT: Yes

Taxes Start at 50%: To be determined

Taxes Start at 100%: To be determined

Land Assessment: \$607,770

Improvements Assessment: To be determined

JUSTIN PLACE (1986)

Use: Residential

Address: 30th to Montgall and Prospect

Contract Approved: 1986

Required PILOT: Yes

Taxes Start at 50%: To be determined

Taxes Start at 100%: To be determined

Land Assessment: \$65,650

Improvements Assessment: To be determined

MANCHESTER CHOTEAU, cont.

Contract Approved: 1973

Tax Abatement Begins: 1974, 1975, 1976, 1978, 1979, 1982, 1983, 1984

Tax Abatement Ends: 1999, 2000, 2001, 2003, 2004, 2007, 2008, 2009

Amount Spent As Of 1986: \$13,054,424

MAYCO (1973)

Address: 421 North 8th; 601-27, 700 Washington; 604 Locust; One St. Louis Centre A, B; 6th and Washington

Name: Ambassador Building, Stix Baer & Fuller, Railway Exchange Building, Mercantile Tower, St. Louis Centre, Edison Brothers Building, Parking Garage, St. Louis Centre Tower

Contract Approved: 1973

Tax Abatement Begins: 1976, 1984, 1985

Tax Abatement Ends: 2001, 2009, 2010

Amount Spent As Of 1986: \$238,633,500

EDMUND INDUSTRIAL (1974)

Address: 647 Tower Grove Avenue

Name: Pepsi Cola

Contract Approved: 1974

Tax Abatement Begins: 1974

Tax Abatement End: 1999

Total Project Development Cost: \$1,100,000

SHIRE (1974)

Address: 25-37 North Sarah

Name: The Ladle (Commercial, Retail)

Contract Approved: 1974

Tax Abatement Begins: 1975

Tax Abatement Ends: 2000

Total Project Development Cost: \$62,000

TRUCKER'S REDEVELOPMENT (1975)

Address: 7807 Hall Street

Name: Trucker's Image (Truck Wash)

Tax Abatement Begins: 1975

Tax Abatement Ends: 1980

Contract Approved: 1974

Total Project Development Cost: \$650,000

ALUMAX ALUMINUM INDUSTRIES (1974)

Address: 6100 South Broadway

Name: Alumax Aluminum

Contract Approved: 1974

Tax Abatement Begins: 1976

Tax Abatement Ends: 2001

Total Project Development Cost: \$11,000,000

WASHINGTON UNIVERSITY MEDICAL CENTER (1975)

Address: Kingshighway to Boyle; Lindell to Clayton; Choteau to Cadet; Kingshighway to Taylor

Name: A.C.L.U. Offices, Commercial, Retail, Offices, Parkway Building, Ellerman Office, 22 North Euclid, Multi-Family Residential and Condominium, Butler House, Charles Rabe Hall, San Carlos Apartments, Wexford Condominiums, Manhattan Townhouses, Laclede Mews Condominiums, South Taylor Condominiums, Ettrick Building, Boulevard Apartments, McDonald House, Lindell Plaza Apartments, Park Place Elderly, Cathedral Condominiums, West Pine Townhouses, Laclede East Condominiums, Commerce Bank, Blue Cross, Forest Park Medical Building, Bernard Nursing Home, Doctor's Building, Parkside Condominiums, Monsanto Labs, Laclede Townhouses, Ellington Apartments, Choteau Condominiums, Buckingham Court Apartments, West Pine Condominiums, Aberdeen Condominiums, Cornerstone, Pierre Choteau Condominiums, Forest Park Hotel, Lindell Apartments, Donegal Condominiums, Newstead Condominiums, West Pine Terrace, Forest Park Shops.

Contract Approved: 1975

Tax Abatement Begins: 1975, 1976, 1977, 1978, 1979, 1980, 1981, 1982, 1983, 1984, 1985, 1986

Tax Abatement Ends: 2000, 2001, 2002, 2003, 2004, 2005, 2006, 2007, 2008, 2009, 2010, 2011

Amount Spent As Of 1986: \$145,826,000

4300 FOREST PARK (1975)

Address: 4372-74 Forest Park Parkway

Name: Low-Moderate Income Housing Units

Contract Approved: 1975

Tax Abatement Begins: 1980

Tax Abatement Ends: 2005

Total Project Development Cost: \$61,000

MARYLAND PLAZA (1975)

Address: Lindell to North-South of Maryland Plaza; East-South of Euclid to Kingshighway

Name: Carriage House, Saks Building, Parking Lots, Fairmont Condominiums and Apartments,

MARYLAND PLAZA, cont.

Name: Landesman Building, Galleria Building, Townhouses, Terrace Building, Gerhart Building, Greenberg Gallery, Medical Arts Building, Argyle Commercial Building, Argyle Apartments, Straub's Market, Maryland Medical Group, Hill Building
Contract Approved: 1975

Tax Abatement Begins: 1976, 1978, 1979, 1980, 1982, 1983, 1984

Tax Abatement Ends: 2001, 2003, 2004, 2005, 2007, 2008, 2009

Amount Spent As Of 1986: \$238,633,500

ST. LOUIS UNIVERSITY (1975)

Address: 3651 Park Avenue

Name: Medical Office Building

Contract Approved: 1975

Tax Abatement Begins: 1976

Tax Abatement Ends: 2001

Total Project Development Cost: \$3,417,072

A.T. REDEVELOPMENT (Same as 717 HBE) (1975)

Address: Pine to Chestnut to 3rd to 4th Streets

Name: Adam's Mark Hotel

Contract Approved: 1975

Tax Abatement Begins: 1984

Tax Abatement Ends: 2009

Total Project Development Cost: \$105,000,000

LAFAYETTE TOWNE (1975)

Address: Jefferson to Compton; Chateau to Interstate 44

Name: Hyde Park 2000, Park Avenue Ellipse, Kroger Grocery, Eads Square Apartments, Caroline Mission, Lion Partnership, St. Vincent Single-Family, Caroline Apartments, Park Avenue Condominiums, St. Vincent Townhouse, Lafayette Towne Elderly and Family Residences
Contract Approved: 1975

Tax Abatement Begins: 1978, 1979, 1980, 1981, 1982, 1983, 1984

Tax Abatement Ends: 2003, 2004, 2005, 2006, 2007, 2008, 2009

Amount Spent As Of 1986: \$21,757,254

LACLEDE'S LANDING (1975)

Address: Ead's Bridge to Martin Luther King Bridge; 3rd Street to Mississippi River

Name: Cherrick Building, Muddy Waters, Raeder Place, Brass Rail, Paincourt Building, Traders Building, Hoffman Brothers Building, Cafe Louie, Levee House, 721-23 North 2nd Street Building, Cast Iron Building, 720 North First Building, 716 First Street Building, Bi-State Building, Greely Building, Cutlery Factory, Wax Museum Building, Feather Building, Parking Garage, Witte Building, Old Judge Complex

Contract Approved: 1975

Tax Abatement Begins: 1977, 1978, 1979, 1980, 1981, 1985, 1986

Tax Abatement Ends: 2002, 2003, 2004, 2005, 2006, 2010, 2011

Amount Spent As Of 1986: \$26,485,000

GRAND CHIPPEWA (1976)

Address: 3830 South Grand

Name: Commercial and Retail

Contract Approved: 1976

Tax Abatement Begins: 1976

Tax Abatement Ends: 2001

Total Project Development Cost: \$2,260,000

21ST STREET (1976)

Address: 2025 Spruce Street

Name: Kretschmar Ham Company

Contract Approved: 1976

Tax Abatement Begins: This is a non-abated project.

Total Project Development Cost: \$70,000

UNION STATION (1976)

Address: 18th to 21st; Market to Highway 40

Name: St. Louis Union Station Retail and Commercial

Contract Approved: 1976

Tax Abatement Begins: 1980

Tax Abatement Ends: 2005

Total Project Development Cost: \$145,826,000; public support - \$10,650,000

PERSHING/DEBALIVIERE (1976)

Address: Pershing and Waterman-Union Belt to Debaliviere; Debaliviere to Laurel; Delmar to McPherson

Name: Waterman Condominiums, Pershing Condominiums, Winter Garden, Savoy Court, Elarco Condominiums, Pershing Arcade, Debaliviere Place I, II, III, IV, V, Kingsbury Square, Dorr Zeller

PERSHING/DEBALIVIERE, cont.

Address: Building, Casey Obsterics, Delmar Parkway I, Debaliviere Arcade
Contract Approved: 1976
Tax Abatement Begins: 1979, 1980, 1981, 1982, 1983
Tax Abatement Ends: 2004, 2005, 2006, 2007, 2008
Amount Spent As Of 1986: \$47,586,000

WASHINGTON UNIVERSITY MEDICAL CENTER BLOCK UNIT ONE (1976)

Address: Kingshighway to Taylor; Oakland to Cadet
Name: Rehabilitated Housing For Low-Moderate Income Groups
Contract Approved: 1976
Tax Abatement Begins: 1980, 1981, 1982
Tax Abatement Ends: 2005, 2006, 2007
Amount Spent As Of 1986: \$637,000

PINE VILLAGE (1978)

Address: 5525 Pine Boulevard
Name: Ville Auditorium
Contract Approved: 1978
Tax Abatement Begins: This is a non-abatement project.
Total Project Development Cost: \$3,512,000

MIDTOWN MEDICAL CENTER (1978)

Address: Compton to 39th; Choteau to Interstate 44
Name: Residential Redevelopment, Commercial, McCree Condominiums, Marlowe Apartments, Tiffany Gardens, Vista Park, 3632 Blaine, Tiffany Phase I, II, III, IV, V, Tiffany Turnkey
Contract Approved: 1978
Tax Abatement Begins: 1981, 1982, 1984, 1985
Tax Abatement Ends: 2006, 2007, 2009, 2010
Total Project Development Cost: \$5,500,000

714 LOCUST (1978)

Address: 714-18 Locust
Name: 714 Locust Building
Contract Approved: 1978
Tax Abatement Begins: 1980
Tax Abatement Ends: 2005
Total Project Development Cost: \$1,500,000

WATERMAN (1979)

Address: 5279-85, 5290 Waterman; 412-14 North Union Boulevard
Name: The Lancaster, Oxford Condominiums, The Chesterfield
Contract Approved: 1979
Tax Abatement Begins: 1981, 1984, 1985
Tax Abatement Ends: 2006, 2009, 2010
Amount Spent As Of 1986: \$6,510,000

ALLEN MARKET LANE (1980)

Address: 1200 Allen Market Lane
Name: Allen Market Lane Apartments
Contract Approved: 1980
Tax Abatement Begins: 1981
Tax Abatement Ends: 2006
Total Project Development Cost: \$3,588,000

DEL MAR (1980)

Address: Delmar between Kingshighway and Walton
Name: Retail Facility, City Bank Building, Roosevelt Towne Apartments, Parking Lot, Supermarket
Contract Approved: 1980
Tax Abatement Begins: 1980, 1981, 1984
Tax Abatement Ends: 2005, 2006, 2009
Amount Spent As Of 1986: \$25,205,000

SOUTHWESTERN BELL CENTER (1980)

Address: East Side of Sarah, West Pine South to alley
Name: 25-37 North Pine, 4100 West Pine
Contract Approved: 1980
Tax Abatement Begins: To be determined
Tax Abatement Ends: To be determined
Amount Spent As Of 1986: \$62,000

CHASE HOTEL (1981)

Address: 212, 220 North Kingshighway
Name: Chase Park Plaza Hotel, Chester Apartments, York Garage
Contract Approved: 1981
Tax Abatement Begins: 1983
Tax Abatement Ends: 2008
Amount Spent As Of 1986: \$9,384,000

PINE-KING (1981)

Address: 115 North Euclid; 4949 West Pine
Name: Medicare Glaser Drugstore, Del Coronado Apartments
Contract Approved: 1981
Tax Abatement Begins: 1982, 1983
Tax Abatement Ends: 2007, 2008
Amount Spent As Of 1986: \$13,150,000

CITY CENTER (1981)

Address: Spring to Theresa to Lindell to Enright
Name: O'Donnell Building, Fox Theatre, Sheldon Memorial, Parking Lot, Caberet A La Mode, Weber Building, Beaux Arts Building, Missouri State Office Building, The Grand Cafe, University Club, Wendy's Restaurant, Grand Center Park, Gardner Building, Metro Baptist Building, St. John Newman House
Contract Approved: 1981
Tax Abatement Begins: 1983, 1984, 1985, 1986
Tax Abatement Ends: 2008, 2009, 2010, 2011
Amount Spent As Of 1986: \$23,357,000

BROADWAY/OLIVE (1981)

Address: 211 Broadway Street
Name: Metropolitan Square
Contract Approved: 1981
Tax Abatement Begins: To be determined
Tax Abatement Ends: To be determined
Total Project Development Cost: \$1,000,000

FRATES (1981)

Address: Olive, Pine, 4th to alley
Name: St. Louis Place, Merchants-Laclede, Schultz Building
Contract Approved: 1981
Tax Abatement Begins: 1982, 1986
Tax Abatement Ends: 2007, 2011
Amount Spent As Of 1986: \$43,400,000

EMBASSY INVESTORS (1981)

Address: Southwest corner, Union and Washington
Name: Embassy Apartments
Contract Approved: 1981
Tax Abatement Begins: 1982
Tax Abatement Ends: 2007
Amount Spent As Of 1986: \$3,050,000

MINERVA PLACE (1982)

Address: Southwest corner, Minerva and Montclair
Name: Minerva Place Apartments
Contract Approved: 1982
Tax Abatement Begins: 1983
Tax Abatement Ends: 2008
Amount Spent As Of 1986: \$2,562,396

KING HEIGHTS (1982)

Address: Kingshighway to Norwood, alley north of St. Louis Avenue
Name: King Heights Condominiums
Contract Approved: 1982
Tax Abatement Begins: 1983
Tax Abatement Ends: 2008
Amount Spent As Of 1986: \$2,000,000; public support - \$384,114

GATEWAY MALL (1982)

Address: Chestnut to Market to 7th to 10th
Name: #1 and #3 Gateway Mall
Contract Approved: 1982
Tax Abatement Begins: 1985
Tax Abatement Ends: 2010
Amount Spent To Date: \$2,000,000

LANDMARK CB 191 (1982)

Address: 8th to 9th to Pine to Chestnut
Name: Landmark 191
Contract Approved: 1982
Tax Abatement Begins: To be determined
Tax Abatement Ends: To be determined
Amount Spent As Of 1986: \$0; estimated project cost - \$18,000,000

510 REDEVELOPMENT (1983)

Address: Enright between Walton and Sarah
Name: Walton Condominiums, Enright Condominiums
Contract Approved: 1983
Tax Abatement Begins: 1983
Tax Abatement Ends: 2008
Amount Spent As Of 1986: \$2,650,000

WATER TOWER (1983)

Address: Parcels on Stroodman near 21st
Name: Water Tower I and II

WATER TOWER, cont.

Contract Approved: 1983
Tax Abatement Begins: 1984
Tax Abatement Ends: 2009
Amount Spent As Of 1986: \$2,275,000; public support - \$770,000

MCPHERSON (1983)

Address: Boyle to Pendleton to Whittier to Sarah to Vandeventer; Lindell and McPherson to Washington
Name: Westminster Gardens
Contract Approved: 1983
Tax Abatement Begins: To be determined
Tax Abatement Ends: To be determined
Amount Spent As Of 1986: \$0; will receive public support of - \$3,476,000; estimated project cost - \$42,314,000

SOUTHWESTERN BELL GARAGE (1983)

Address: Pine to Chestnut to 11th and alley between 11th and Tucker
Name: Parking Garage
Contract Approved: 1983
Tax Abatement Begins: 1984
Tax Abatement Ends: 2009
Amount Spent As Of 1986: \$7,000,000

CRITTENDEN (1983)

Address: Crittenden and Arkansas
Name: Crittenden Apartments
Contract Approved: 1983
Tax Abatement Begins: 1985
Tax Abatement Ends: 2010
Amount Spent As Of 1986: \$722,824; public support - \$200,000

SAMUEL MCREE (1983)

Address: Ranken to Interstate 44 to West Pine
Name: Gateway Auto Parts, Low-Moderate Income Housing Units,
Contract Approved: 1983
Tax Abatement Begins: 1984
Tax Abatement Ends: 2009
Amount Spent As Of 1986: \$1,662,050

717 HBE (Same as A.T. Redevelopment) (1983)

Address: Pine to Chestnut to 3rd to 4th
Name: Adam's Mark Hotel
Contract Approved: 1983
Tax Abatement Begins: 1984
Tax Abatement Ends: 2009
Amount Spent As Of 1986: \$105,000,000

LINDELL PLACE (1983)

Address: 4472 Lindell
Name: Lindell Place
Contract Approved: 1983
Tax Abatement Begins: 1984
Tax Abatement Ends: 2009
Amount Spent As Of 1986: \$2,800,000

LUCAS PARK (1983)

Address: West side of 13th from Washington to Lucas
Name: Lucas Park Loft Apartments
Contract Approved: 1983
Tax Abatement Begins: 1984
Tax Abatement Ends: 2009
Amount Spent As Of 1986: \$4,800,000

GRAND STRASSBERGER (1983)

Address: East side of Grand from Shenadoah to alley south of Victor
Name: Strassberger Court
Contract Approved: 1983
Tax Abatement Begins: 1985
Tax Abatement Ends: 2010
Amount Spent As Of 1986: \$2,967,000; public support - \$2,000,000

LAUREL PLACE (1983)

Address: Northeast corner of Laurel and Pershing
Name: Laurel Place Apartments
Contract Approved: 1983
Tax Abatement Begins: 1985
Tax Abatement Ends: 2010
Amount Spent As Of 1986: \$1,289,000; public support - \$682,500

BLAIR APARTMENTS (1983)

Address: Rauschenbach to 22nd from alley south of St. Louis Avenue to line parallel with Montgomery

BLAIR APARTMENTS, cont.

Name: Blair Apartments
Contract Approved: 1983
Tax Abatement Begins: 1984
Tax Abatement Ends: 2009
Amount Spent As Of 1986: \$2,091,948; public support - \$644,441

CENTURY VENTURE (1984)

Address: Broadway to Lucas to 6th to Washington
Name: The Dollar Store, Commerical Rehabilitation
Contract Approved: 1984
Tax Abatement Begins: 1986
Tax Abatement Ends: 2011
Amount Spent As Of 1986: \$650,000

WASHINGTON AVENUE (1984)

Address: 7th to Tucker to Convention Plaza to Locust
Name: Lennox Hotel, Lammerts, Commercial - Retail - Office, T.G. Station, J.L. Sullivan
Contract Approved: 1984
Tax Abatement Begins: 1985, 1986
Tax Abatement Ends: 2010, 2011
Amount Spent As Of 1986: \$12,606,600

NORTHVIEW VILLAGE (1984)

Address: Highland to Kingshighway to Wabanda to alley
Name: Adult Daycare Center, Tower Village Nursing Center, Tower Village Apartments
Contract Approved: 1984
Tax Abatement Begins: 1985
Tax Abatement Ends: 2010
Amount Spent As Of 1986: \$19,641,000

PENROSE PARK (1984)

Address: Parcels between Newstead, Euclid, Carter and Natural Bridge
Name: Penrose Park - Low and Moderate Income Housing
Contract Approved: 1984
Tax Abatement Begins: 1985
Tax Abatement Ends: 2010
Amount Spent As Of 1986: \$2,300,000

MISSOURI ATHELETIC CLUB (1984)

Address: Broadway to 4th to Washington to Convention Plaza
Name: Parking Garage
Contract Approved: 1984
Tax Abatement Begins: To be determined
Tax Abatement Ends: To be determined
Amount Spent As Of 1986: \$3,000,000

ABBY (1984)

Address: Olive to Pine to 7th to 8th
Name: Wolf's Clothing, Office - Commercial - Retail
Contract Approved: 1984
Tax Abatement Begins: To be determined
Tax Abatement Ends: To be determined
Amount Spent As Of 1986: \$600,000

LINDELL/BOYLE (1984)

Address: Southeast corner of Lindell and Boyle
Name: Lindell-Boyle Apartments
Contract Approved: 1984
Tax Abatement Begins: 1986
Tax Abatement Ends: 2011
Amount Spent As Of 1986: \$2,400,000

HISTORIC RUSSELL (1984)

Address: Russell to Oregon to Ohio to California
Name: Historic Russell; Low-Moderate Income Housing
Contract Approved: 1984
Tax Abatement Begins: 1986
Tax Abatement Ends: 2011
Amount Spent As Of 1986: \$972,135; public support - \$532,486

CAREUNIT (1984)

Address: Grand to Detony to Castleman to Spring
Name: CareUnit Hospital
Contract Approved: 1984
Tax Abatement Begins: 1985
Tax Abatement Ends: 2010
Amount Spent As Of 1986: \$3,133,750

MARQUETTE (1984)

Address: Locust to Olive to 4th to Broadway
Name: Marquette Building
Contract Approved: 1984

MARQUETTE, cont.

Tax Abatement Begins: 1985
Tax Abatement Ends: 2010
Amount Spent As Of 1986: \$500,000

NINA PLACE (1984)

Address: Nina to Des Peres to Westminster to McPherson
Name: Redevelopment, Rehabilitation, Infill
Contract Approved: 1984
Tax Abatement Begins: To be determined
Tax Abatement Ends: To be determined
Amount Spent As Of 1986: \$0; estimated project cost - \$8,013,810

COMPTON HILL RESIDENTIAL SQUARE (1985)

Address: 1900-02 Louisiana Avenue
Name: Compton Hill Place
Contract Approved: 1985
Tax Abatement Begins: 1986
Tax Abatement Ends: 2011
Amount Spent As Of 1986: \$308,000

TRIANGLE (1985)

Address: 5517, 5834 and 5838 Westminster Place
Name: Triangle I and II
Contract Approved: 1985
Tax Abatement Begins: To be determined
Tax Abatement Ends: To be determined
Amount Spent As Of 1986: \$0; estimated project cost - \$697,000

MAJESTIC PLAN 1 (1985)

Address: 11th to Daughters of St. Paul to Pine to alley
Name: Majestic Hotel
Contract Approved: 1985
Tax Abatement Begins: To be determined
Tax Abatement Ends: To be determined
Amount Spent As Of 1986: \$0; estimated project cost - \$7,250,000

NORTHWEST (1985)

Address: Eight parcels in the Ville Neighborhood
Name: Low and Moderate Income Housing
Contract Approved: 1985
Tax Abatement Begins: 1986

Tax Abatement Ends: 2011
Amount Spent As Of 1986: \$0; estimated project cost - \$1,360,000

FOX GROVE (1986)

Address: Fourteen parcels in the Fox Park and Tower Grove East Neighborhoods
Name: DeSales Rehab I
Contract Approved: 1985
Tax Abatement Begins: 1986
Tax Abatement Ends: 2011
Amount Spent As Of 1986: \$2,890,000.353

Projects not in St. Louis or Kansas City

CLINTON

PROJECT: TRACKER MARINE

Corporation: Clinton Redevelopment Corporation
Project Approved:
Tax Abatement Begins:
Tax Abatement Ends:
Total Project Development Cost: \$3,500,000
Comments: 200+ manufacturing jobs created over three years, \$1.9 million annual payroll.

EXCELSIOR SPRINGS

PROJECT: ELMS REDEVELOPMENT PROJECT

Corporation: Elms Redevelopment Corporation
Total Project Development Cost: \$25,000,000
Construction Includes: Elms Hotel addition, 500 car parking lot, renewal of blighted structures within the redevelopment area.

IANNIBAL

**PROJECT: NATIONAL FOOD STORE AND
ROAD EXTENSION**

INDEPENDENCE

**CORPORATION: INDEPENDENCE SQUARE
REDEVELOPMENT CORPORATION**

**Address: Thirty-six block Independence city
square**

Approval Date: 1984

Tax Abatement Begins: 1986

**Comments: Independence does not grant powers
of eminent domain to redevelopment corporations.**

JEFFERSON CITY

**CORPORATION: JOHN Q. HAMMONS
REDEVELOPMENT CORPORATION**

Project Approved: 1986

Tax Abatement Begins: 1986

Project Cost: \$17,000,000

Construction Includes: Hotel

JOPLIN

**PROJECT: JOHN Q. HAMMONS CONVEN-
TION CENTER**

Address: 3615 Range Line Road

Completion Date: 1986

**Construction Includes: Hotel and convention
facility**

LOUISIANA

**PROJECT: LOUISIANA REDEVELOPMENT
CORPORATION**

Comments: Three Projects as of date.

ST. JOSEPH

**PROJECT: KENSINGTON REDEVELOP-
MENT CORPORATION**

**Construction Includes: Apartments in the Corby
Building**

SPRINGFIELD

PROJECT: UNIVERSITY PLAZA

**Address: St. Johns Street and John Q. Hammons
Parkway**

Approval Date: 1981

Total Project Development Cost: \$18,502,000

**Construction Includes: Hotel/Convention Center,
Office Complex, Condominium Tower**

**PROJECT: CENTER CITY EXHIBITION
HALL AND TRADE CENTER**

Address: 625 St. Louis Street

Approval Date: 1987

Total Project Development Cost: \$2,134,000

**Construction Includes: Renovation of former Sears
and Roebuck Building**

**PROJECT: HAMMONS TOWER REDE-
VELOPMENT**

**Address: St. Louis Street and John Q. Hammons
Parkway**

Approval Date: 1984

Total Project Development Cost: \$20,480,000

**Construction Includes: Office/Condominium and-
Federal Courts Building**

PROJECT: SILVER SPRINGS MANOR

Address: 1200-1300 North Texas Avenue

Approval Date: 1984

Total Project Development Cost: \$4,714,427

Construction Includes: 125 two bedroom units

PROJECT: UNIVERSITY TERRACE

Address: 900 block of Cherry Street

Approval Date: 1985

Total Project Development Cost: \$11,600,000

**Construction Includes: 375 room Southwest Mis-
souri State University Dormitory**

SPRINGFIELD, cont.

PROJECT: JURIS BUILDING

Address: 821 Boonville Avenue

Approval Date: 1985

Total Project Development Cost: \$350,000

Construction Includes: Rehabilitation of former Postal Employees Credit Union for law office

PROJECT: FRANCES VANDIVORT CENTRE

Address: 301-307 East Walnut Street

Approval Date: 1986

Total Project Development Cost: \$1,250,000

Construction Includes: Renovation of Masonic Temple for Performing Arts Groups

UNIVERSITY CITY

PROJECT: 6200 MAPLE

Project Cost: \$4,000,000

Completion Dates: 1983, 1985, 1986, 1988

Construction Includes: Renovation and construction of 145,200 square feet of manufacturing complexes.

PROJECT: 6363 BARTMER

Project Cost: \$850,000

Completion Date: 1985

Construction Includes: 25,000 square feet office/warehouse complex.

PROJECT: 6262 OLIVE

Project Cost: \$850,000

Completion Date: 1987

Construction Includes: 16,000 square feet office and manufacturing complex.

Project: 6600 Washington

Project Cost: \$1,000,000

Completion Date: 1987

Construction Includes: Renovation of 80,000 square feet building into 74 apartments.

PROJECTS: 24 MULTI-FAMILY UNITS, MULTIPLE ADDRESSES

Project Cost: \$4,259,150

Completion Dates: 1982, 1983, 1984, 1985, 1986, 1987

Construction Includes: Renovation of 120 apartment units at twenty-four sites.

Project: Lewis Center

Address: 725 Kingsland

Project Cost: \$4,500,000

Construction Includes: School of Fine Arts and forty-five one and two bedroom loft apartments.

PROJECT: DONALDSON COURT APARTMENTS

Address: 601-615 Westgate

Project Cost: \$3,000,000

Construction Includes: Renovation of four buildings into forty-five luxury apartments and 9,400 square feet of retail space.

PROJECT: 6900 DELMAR OFFICE BUILDING

Project Cost: \$1,000,000

Construction Includes: Renovation of former church into 11,400 square feet office building.

PROJECT: 6633-35 DELMAR

Project Cost: \$750,000

Construction Includes: 15,000 square feet of office and retail.

WEBSTER GROVES

PROJECT: NORTH WEBSTER REDEVELOPMENT

Address: Generally bounded by Waymire, Ernest, Deer Creek, Allison and Cornell

Completion Date: Contract approved 1972; not renewed upon 1985 contract expiration

Construction: Redevelopment occurred without use of 353

PROJECT: SCHNUCKS

Address: Big Bend and Elm

Completion Date: Contract approved 1980; project completed in early 1980's

Construction: Grocery Store

WEBSTER GROVES, cont.

PROJECT: OLD WEBSTER REDEVELOPMENT

Address: the "Old Webster" Area along West Pacific and West Lockwood

Completion Date: Contract approved 1987

Construction: Commercial Redevelopment.

APPENDIX D

SOURCE: Ochsner - Hare & Hare

Court Cases involving 353 Precedents

Case Summaries

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BERMAN et al., EXECUTORS, v. PARKER et al.

348 U.S. 26 (United States Supreme Court, 1954)

SUMMARY: Appellants appealed District Court's dismissal of their request to enjoin the condemnation of their property. The property was to be condemned in accordance with a redevelopment project in Washington D.C. Appellants alleged that the taking of lands and buildings pursuant to the eminent domain provisions of the District of Columbia Redevelopment Act of 1945 was unconstitutional and challenged the use of condemnation on their properties. The Supreme Court upheld the dismissal by the lower court and reaffirmed the constitutionality of the District of Columbia Redevelopment Agency using eminent domain to assemble and acquire properties for the purpose of redeveloping blighted areas. It was the court's opinion that the rights of these property owners (condemnees) were upheld upon their receiving just compensation.

FACTS: Appellants' properties (hardware and department stores) were situated within a redevelopment project area in Washington D.C. Appellants alleged that the 1945 Redevelopment Act was unconstitutional on the grounds that it authorizes the taking of private property and allows private groups to acquire such property for private use and that the statute authorizes the taking of such property in blighted areas without defining "blight". The District Court upheld the constitutionality of the act and its use as a redevelopment tool to reduce urban blight.

Appellants' properties were subsequently condemned for purposes of redevelopment. Appellants sought to enjoin this condemnation and their request was dismissed by the court.

On appeal, the case was considered by the Supreme Court. The court reaffirmed the dismissal by the lower court and the constitutionality of the act. In its opinion, the court declared that the acquisition and assembly of properties within a blighted area and the sale or lease of such properties to private agencies for the purpose of community redevelopment serves the public interest by removing the causes and perpetuants of blight. The court further found that the legislature, not the judiciary, is in charge of guarding that the public interest is served by community redevelopment.

ISSUE: An appeal from the United States District Court's dismissal to enjoin condemnation of appellants properties under the District of Columbia

Redevelopment Act of 1945. Appellants challenged the act's constitutionality, specifically in regard to the condemnation of their property.

HELD: The Supreme Court affirmed the dismissal by the lower court. They held that the rights of the condemnees had been satisfied when they received just compensation in accordance with the Fifth Amendment. The court, furthermore, reaffirmed the findings of the lower court concerning the constitutionality of the redevelopment act.

STATE , on Inf of DALTON, Attorney General v. LAND CLEARANCE FOR REDEVELOPMENT AUTHORITY OF KANSAS CITY, MO., et al.

270 S.W. 2d 44 (Missouri Supreme Court, 1954)

SUMMARY: The litigants claimed that the Kansas City Land Clearance for Redevelopment Authority's acquiring of blighted property by eminent domain, clearing it, and then selling it to a private redeveloper was, in fact, an unconstitutional taking of property. The court held that a legislative declaration of lands for public use adequately allows local public agencies to sell cleared land to private interests for purposes of redevelopment. The court noted that the benefit to private individuals because of redevelopment projects is merely incidental to that of serving the public interest.

FACTS: In 1953 the city council adopted a resolution finding and declaring the area between Missouri Avenue and Ninth Street and between Main Street and Baltimore Avenue, referred to as the "Northside Area", to be a blighted or insanitary area. That same year a redevelopment plan for the Northside Redevelopment Project was submitted to and approved by the council. The Attorney General, for Dalton (realtor) brought original information in quo warranto against respondent, Land Clearance for Redevelopment Authority of Kansas City and against respondent, City of Kansas City. Realtor contended that:

(1) the law authorizes the acquisition through eminent domain of private property for public use and that the respondent contemplated acquiring private property for private use in violation of the state and federal constitutions;

(2) redevelopment authority's proposal to sell real estate within the blighted area at a price less than the cost of acquisition, demolition and improvement constitutes the giving of special privileges, the lending of public credit and the granting of public property in aid of a private person, association or corporation;

(3) to the extent the statute purports to authorize acquisition of sound structures and vacant land, it authorizes the taking of private property for private use without the consent of the owner in violation of the state and federal constitutions;

(4) the clearance of blighted and insanitary areas is subject separate and distinct from the redevelopment of areas which have been cleared, and that the inclusion of both of these subjects in the same legislative act violates the state constitution;

(5) the provisions of the act authorizing the city council and authority to determine that certain areas are blighted or insanitary and that the land therein should be acquired violate the state and federal constitutions;

(6) the redevelopment authority has no power under the state constitution to acquire fee simple title to property in blighted or insanitary area by the process of eminent domain; and,

(7) the information and admissions contained in the returns of both respondents show that there is no legal consideration moving to the city to participate "with reasonable consideration" in such a redevelopment project.

ISSUE: A challenge to the constitutionality of the Land Clearance for Redevelopment Authority Law (R.S. MO. 99) and to specific activities of respondents pursuant to said law.

HELD: The challenge was denied. The court adversely disposed all of the contentions made by the realtor. In response to the realtor's contentions, the court held that:

(1) the legislative agency acts properly in taking blighted property under the processes of eminent domain for the purpose of clearing and improvement and subsequent sale upon such terms and restrictions as it may deem in the public interest unless through arbitrary action or inducement by fraud, collusion or bad faith;

(2) the statute and the procedure followed and proposed to be followed by respondents does not violate constitutional provisions as the funds realized

from the sale are public funds, to be expended solely by a public agency for a public use;

(3) sound structures and vacant land may be acquired when located within the blighted or insanitary areas if the legislative authority finds it in the public interest to do so;

(4) this law deals with the eradication and redevelopment of blighted and insanitary areas and that calculated redevelopment schemes, not mere land clearing, are necessary to prevent a recurrence of blighted and insanitary conditions;

(5) the act clearly and properly places upon the governing body the responsibility and exclusive function of approving the redevelopment plans;

(6) if the redevelopment authority deems it in the public interest, such property may be acquired through eminent domain and sold without restriction; and,

(7) the phrase in the law, "with reasonable consideration", does not void the act and neither does it affect any of the proceedings of the redevelopment project.

LAND CLEARANCE FOR REDEVELOPMENT AUTHORITY OF CITY OF ST. LOUIS v. CITY OF ST. LOUIS, et al.

270 S.W. 2d 58 (Missouri Supreme Court, 1954)

SUMMARY: The Land Clearance for Redevelopment Authority (LCRA), plaintiff, brought action against city, defendant, for declaratory judgement construing the provisions of a Cooperation Agreement between the plaintiff and the defendant, and determining its validity as well as the legality of the plans, resolutions, ordinances and statutes upon which the Cooperation Agreement depends. The appeal, brought by the LCRA, city and realty company (intervenor) owning property in redevelopment project area alleged that while the Circuit Court favorably disposed of the issues, the court's holdings were in some respects, incomplete. The Supreme Court held, inter alia, that the Land Clearance for Redevelopment Authority Law does not violate constitutional provisions guarding against the taking of private property for private use with consent of the property owner.

FACTS: The St. Louis Board of Aldermen made a legislative finding that blighted and insanitary areas exist in the City. The board held that redevelopment of such areas is necessary and thereupon approved the exercise by the LCRA of the powers, functions and duties as authorized by state statute, Chapter 99, the Land Clearance for Redevelopment Authority Law.

The City drafted and approved an overall city plan for redevelopment of blighted areas. The City and LCRA entered into a Cooperation Agreement to aid in the redevelopment process. The plan's projects and the provisions of the agreement support the acquisition of the entire property in the project area (Market Street, between 15th and 18th Streets) with the exception of three specific parcels not to be disturbed by these redevelopment proceedings.

The plaintiffs were to acquire the property in the site by gift, purchase or condemnation proceedings in the exercise of eminent domain; clear for rehabilitation; and, sell it to an urban developer who may qualify under the Urban Redevelopment Corporations Law, Chapter 353, RSMo 1949., or any other qualified person who may enter into a redevelopment relationship with the plaintiff.

ISSUE: In its motion for a retrial, the plaintiff contended that the trial court's decree fails to remove the uncertainty and doubt of the rights and privileges of plaintiff and defendant claimed in the pleadings and under the evidence and to determine the powers of plaintiff and defendant to pass the ordinance, adopt the resolutions, make the findings and enter into the contracts and Cooperation Agreement and do the necessary steps contemplated to lawfully effectuate the plan and project by plaintiff and defendant undertaken as reflected in this proceeding. The defendant, in its motion for a new trial and on this appeal, complains of inaccuracy of the trial court's decree and seeks a more complete and detailed adjudication of its right to enter into the Cooperation Agreement and all of its assumed obligations. The intervenor challenges the constitutionality of certain sections of the Land Clearance for Redevelopment Authority Law (including its relationship to the Missouri Chapter 353 tax abatement provisions).

HELD: The Missouri Supreme Court affirmed the decree of the lower court holding the proceedings undertaken by the plaintiff and city valid and legal in every respect contended. The court cited *DALTON v. LAND CLEARANCE FOR REDEVELOPMENT AUTHORITY* (270 S.W. 2d 44), which gave extensive consideration to questions presented in this appeal and held them to be constitutional, as

precedence, as it involved a project "similar in all of its material aspects to the project here under consideration".

STATE ex rel. CITY OF CREVE COEUR v. WEINSTEIN

329 S.W. 2d 399 (St. Louis Court of Appeals, 1959)

SUMMARY: Landowners alleged that the city's condemnation of their property for purposes of redevelopment was racially motivated. The City of Creve Couer argued that the motivations of cities in undertaking redevelopment projects are legislative, not judicial, issues. The city entered a proceeding in prohibition to prohibit the court from hearing the complaint.

FACTS: The owners (landowners) of the land petitioned to be acquired by the city in condemnation proceedings for the development of a public park and playground were black. Landowners held that the preliminary reason behind the city's petition was an issue of race and, as such, they were being deprived of their constitutional rights. Landowners alleged that city hurriedly entered into said park plan and was more interested in removing landowners than in establishing a public park/playground.

The city argued that the sole issue to be considered by the courts was whether or not the land was taken for a public interest and not the motives of the legislative body which had entered the petition to condemn the land. At the time of the case, the United States Supreme Court had held that the condemning of lands for public parks was recognized as a taking of private lands for a public use, and therefore, valid. The city argued that questions of condemnation and eminent domain were political, and not judicial in nature.

ISSUE: A proceeding in prohibition entered by the City of Creve Coeur to prohibit Judge Weinstein (Circuit Court) from hearing allegations and evidence thereon of the motives, alleged to be discriminatory in nature, of the city in filing a condemnation petition to acquire land for a public park.

HELD: The court held that the preliminary rule of prohibition issued against Weinstein hearing the case based on questions of the motivations of legislative bodies petitioning for this condemnation be made per-

CONDUIT INDUSTRIAL REDEVELOPMENT CORPORATION v. LUEBKE

397 S.W. 2d 671 (Missouri Supreme Court, 1965)

SUMMARY: An appeal before the Missouri Supreme Court to overrule a dismissal by the St. Louis Circuit Court to allow a crossclaim for alleged breach of contract to be filed and tried in condemnation proceedings. Prospective land purchasers, appellants, had no interest in the condemnation award or settlement asking only for damages in crossclaim against landowner, respondent, for breach of contract. Respondents, citing Chapter 523 RSMo, argued that appellants crossclaim cannot be considered as condemnation procedures are limited to condemnation issues.

FACTS: Respondent signed a sales contract in 1957 agreeing to sell appellants two parcels of land. Appellants put up a downpayment and agreed to pay the contract balance at closing. Appellants believed that the unrecorded contract would close with the passage of time and they would then receive clear and marketable title.

In 1959, condemnation proceedings began on the two parcels. The landowners (respondents) and condemnors reached a settlement for the property in 1961. Appellants were party to the condemnation proceedings for nine other parcels adjacent to the two parcels of which they had an unrecorded interest. The appellants were in possession of the landowner's two parcels and used them in conjunction with the nine other parcels.

Appellants alleged a breach of contract by the respondents and filed a crossclaim for damages after the condemnation settlement. The appellants did not have any interest in the settlement or damages award. Their crossclaim was strictly seeking damages for alleged breach of the sales contract. Appellants claimed that Civil Rule 86.01 allowed them to bring the crossclaim into condemnation proceedings.

Respondents argued that Chapter 523 RSMo, and not Civil Rule 86, is the source of proceedings for condemnation issues. Respondents argued that Civil Rule 86 supplements Chapter 523 which has the intention of limiting condemnation proceedings to condemnation issues if condemnation has previously been determined. Respondents hold that crossclaims for breach of contract do not apply to, and cannot be considered during, condemnation proceedings.

ISSUE: This is an issue of the use of condemnation

of appellant's property and whether or not crossclaims unrelated to condemnation settlements or damage awards may be filed and tried during condemnation proceedings.

HELD: The Missouri Supreme Court affirmed the lower court's dismissal. The court held that appellant purchasers do not have the right to have crossclaims for alleged breach of contract filed and tried in condemnation proceedings. The court held that condemnation proceedings are for parties seeking awards or settlements involving condemned properties and not a forum for parties seeking damages against landowners of said properties.

COUNCIL PLAZA REDEVELOPMENT CORPORATION v. DUFFEY, et al.

439 S.W. 2d 526 (Missouri Supreme Court, 1969)

SUMMARY: Appellants, (redeveloper) borrowed \$5,000,000 from respondents for permanent financing of a redevelopment project in St. Louis. A dispute arose over debt servicing as their written commitment stipulated repayment at an annual interest rate of six and one-half percent while the language of Chapter 353 appears to limit a corporation to not paying more than an annual six percent interest rate on any of their debts. At the District Court, the appellants argued that they were legally bound by the six percent restriction while the respondents held that the language of the statute was ambiguous and the appellants could repay their debt at the interest rate agreed to in their commitment. The Circuit Court held for the respondents, and on appeal by the appellants for declaratory judgement, the Missouri Supreme Court reversed the lower courts decision.

FACTS: Appellants and respondents entered into a written commitment for the respondents to lend the redevelopment corporation \$5,000,000 in permanent financing for the project, repayable at a six and one-half percent interest rate per annum over a period of twenty years, if secured by a first deed of trust on the property. A dispute arose over the legality of the appellants paying in excess of six percent per annum as Section 353.030(10) declares "interest shall not be paid by the corporation upon (such) income debenture certificates or upon any bonded or other debt of the corporation in excess of six percent per annum". The disputed one-half percent would over twenty years

amount to a differential in payments of some \$250,000.

The appellants argued that Section 353.030(10) clearly states that an interest rate of six percent per annum is the ceiling of any interest payable by redevelopment corporations on any of their debts. The respondents argued that the language in Section 353.030(10) is ambiguous and that it restricts the rate of interest only on corporate debt securities. The Circuit Court held for the respondents.

On appeal by the appellants, the Supreme Court considered the issues of the original hearing and commented on the ramifications of the alleged six percent limitation noted in Section 353.030(10). The court held that in statutory construction, words in common use are to be construed in their plain and ordinary meanings and that as such applied to Section 353.030(10), the interest rate limitation in question was indeed six percent. The court noted that their decision would make it difficult for private capital to compete in redevelopment projects with the prime lending rate at its present level of seven percent (1969). However, they further noted that the remedy for a change in the interest rate on debt repayment schedules, and redevelopment corporations allowable annual net earnings limit of eight percent, Section 353.030(11), rests in legislative action of the general assembly, and is not within the jurisdiction of the courts.

ISSUE: Appellants appealed Circuit Court judgement for the respondents to the Supreme Court for a declaratory judgement. Appellants appeal holds that the Urban Redevelopment Corporations Law limits urban redevelopment corporations to not paying more than a six percent annual interest rate on any of its corporate obligations.

HELD: The judgement of the Circuit Court was reversed. The Supreme Court decreed that Section 353.030(10) applies to the first mortgage loan in question, and that the appellants cannot lawfully pay respondents any interest in excess of six percent per annum.

PARKING SYSTEMS, INC., et al, v. KANSAS CITY DOWNTOWN REDEVELOPMENT CORPORATION, et al.

518 S.W. 2d 11 (Missouri Supreme Court, 1974)

SUMMARY: Plaintiffs burden was attempting to overturn a redevelopment ordinance which proposed to redevelop their property. Plaintiffs argued that the city council acted arbitrarily and capriciously in passing the ordinance. The court held that it cannot substitute its opinion for that of the council and cannot overturn the passage of the redevelopment ordinance. However, while it was held that the plaintiffs could not challenge the discretion of the council, they could challenge the appropriateness of specific aspects of the development itself.

FACTS: In 1970 the City Council of Kansas City approved the Crosstown Center plan as submitted by the Kansas City Downtown Redevelopment Corporation. The first stage of this two stage plan consisted of a 600,000 to 800,000 square feet multi-story, multi-use center with a large parking garage located in the block bounded by 13th Street and Crosstown Freeway from Main Street to Grand Avenue. The second stage of development proposed an entertainment center in the area between the the Crosstown Freeway and 13th Street west of Main Street. Plaintiffs filed suit in Circuit Court praying that:

(1) Chapter 353 and Chapter 36 are contrary to the state constitution and in violation to the federal constitution;

(2) the City Council of Kansas City acted arbitrarily and capriciously, without sufficient evidence and illegally delegated the responsibility of the blight determination to the plan commission in passing the ordinance approving the Crosstown plan. The plaintiffs also prayed that the court declare the redevelopment area not blighted and that the redevelopment corporation did not submit adequate financial proof of their undertaking and completing the project.

ISSUE: An appeal for declaratory relief and for an injunction prohibiting the redevelopment corporation and city from proceeding with redevelopment project. The Jackson County Circuit Court had originally denied the plaintiffs appeal.

HELD: The Supreme Court affirmed the lower court's decision. The court held that the city council did not act arbitrarily and unreasonably in its determination that the area was blighted, that the record did not establish that the city council delegated its legisla-

amount to a differential in payments of some \$250,000.

The appellants argued that Section 353.030(10) clearly states that an interest rate of six percent per annum is the ceiling of any interest payable by redevelopment corporations on any of their debts. The respondents argued that the language in Section 353.030(10) is ambiguous and that it restricts the rate of interest only on corporate debt securities. The Circuit Court held for the respondents.

On appeal by the appellants, the Supreme Court considered the issues of the original hearing and commented on the ramifications of the alleged six percent limitation noted in Section 353.030(10). The court held that in statutory construction, words in common use are to be construed in their plain and ordinary meanings and that as such applied to Section 353.030(10), the interest rate limitation in question was indeed six percent. The court noted that their decision would make it difficult for private capital to compete in redevelopment projects with the prime lending rate at its present level of seven percent (1969). However, they further noted that the remedy for a change in the interest rate on debt repayment schedules, and redevelopment corporations allowable annual net earnings limit of eight percent, Section 353.030(11), rests in legislative action of the general assembly, and is not within the jurisdiction of the courts.

ISSUE: Appellants appealed Circuit Court judgement for the respondents to the Supreme Court for a declaratory judgement. Appellants appeal holds that the Urban Redevelopment Corporations Law limits urban redevelopment corporations to not paying more than a six percent annual interest rate on any of its corporate obligations.

HELD: The judgement of the Circuit Court was reversed. The Supreme Court decreed that Section 353.030(10) applies to the first mortgage loan in question, and that the appellants cannot lawfully pay respondents any interest in excess of six percent per annum.

PARKING SYSTEMS, INC., et al., v. KANSAS CITY DOWNTOWN REDEVELOPMENT CORPORATION, et al.

518 S.W. 2d 11 (Missouri Supreme Court, 1974)

SUMMARY: Plaintiffs burden was attempting to overturn a redevelopment ordinance which proposed to redevelop their property. Plaintiffs argued that the city council acted arbitrarily and capriciously in passing the ordinance. The court held that it cannot substitute its opinion for that of the council and cannot overturn the passage of the redevelopment ordinance. However, while it was held that the plaintiffs could not challenge the discretion of the council, they could challenge the appropriateness of specific aspects of the development itself.

FACTS: In 1970 the City Council of Kansas City approved the Crosstown Center plan as submitted by the Kansas City Downtown Redevelopment Corporation. The first stage of this two stage plan consisted of a 600,000 to 800,000 square feet multi-story, multi-use center with a large parking garage located in the block bounded by 13th Street and Crosstown Freeway from Main Street to Grand Avenue. The second stage of development proposed an entertainment center in the area between the the Crosstown Freeway and 13th Street west of Main Street. Plaintiffs filed suit in Circuit Court praying that:

(1) Chapter 353 and Chapter 36 are contrary to the state constitution and in violation to the federal constitution;

(2) the City Council of Kansas City acted arbitrarily and capriciously, without sufficient evidence and illegally delegated the responsibility of the blight determination to the plan commission in passing the ordinance approving the Crosstown plan. The plaintiffs also prayed that the court declare the redevelopment area not blighted and that the redevelopment corporation did not submit adequate financial proof of their undertaking and completing the project.

ISSUE: An appeal for declaratory relief and for an injunction prohibiting the redevelopment corporation and city from proceeding with redevelopment project. The Jackson County Circuit Court had originally denied the plaintiffs appeal.

HELD: The Supreme Court affirmed the lower court's decision. The court held that the city council did not act arbitrarily and unreasonably in its determination that the area was blighted, that the record did not establish that the city council delegated its legisla-

tive function to plan commission, and that assuming that appraisals of realty made by redevelopment corporation would have been material to issue of adequate financing of redevelopment project, plaintiffs were not entitled to have the appraisals produced for inspection and copying. The court further held that Chapter 353 was constitutional and referred to the 1965 case, *Annbar Associates v. West Side Redevelopment Corporation*, 397 S.W. 2d 635, for precedents. On the blight issue, the court again cited *Annbar* and held that it would not substitute judicial review for the council's blight determination unless such legislative determination was arbitrary or was induced by fraud, collusion or bad faith.

ALLRIGHT MISSOURI, INC v. CIVIC PLAZA REDEVELOPMENT CORPORATION

538 S.W. 2d 320 (Missouri Supreme Court, 1976)

SUMMARY: Prospective condemnees of a redevelopment project initiated litigation in the Circuit Court. The condemnees, owners of a parking lot included in the redevelopment plan, argued that a parking lot lacking any improvements should not be considered blighted. Furthermore, as the plan commission did not recommend approval of the redevelopment plan, the condemnees questioned the finding of the city council that the area was blighted. The Circuit Court held for the condemnees (plaintiffs), as did the Court of Appeals. However, the Supreme Court reversed the decisions of the lower courts, holding that the council's legislative decision was not subject to the judicial review of the courts.

FACTS: In April, 1969 the redeveloper filed an amended redevelopment plan with the city. The plan called for the redevelopment of an area of downtown bounded by 13th, Locust, Crosstown Freeway, 14th and McGee. The plan called for a seven phase development including three twenty-five story office towers, a fourteen story office building, a six level parking garage and an underground parking facility.

In May, 1969 the plan commission recommended plan disapproval on the grounds that the area could be successfully redeveloped without using 353 and that the development plans did not proceed in an orderly fashion or adequately describe what would be built in the area. However, in March, 1970 the city council approved the plan finding the area blighted, that the

redeveloper was financially able to undertake and complete the project and that acquiring the property through eminent domain was in the public interest. The council based its blight finding on a blight study which had appraised the area at \$4.4 million (\$3.4 million for the land). The assessed value of the area was \$506,000, or about 12.5 percent of its potential value.

The landowners argued that the area was not blighted, and that as the plan commission disapproved the plan, there was conclusive evidence that the area was not blighted. As such, the landowners contested that the council finding the area blighted was arbitrary and unreasonable. The circuit court found for the landowners. The Court of Appeals affirmed the lower courts decision. The case went to the Supreme Court on application of transfer by the redeveloper.

ISSUE: Allright (landowners) contested the approval by the city council of Civic Plaza's (redeveloper) redevelopment plan. Landowners argued that the council arbitrarily exercised its legislative powers in adopting the plan due to blight determination and redeveloper financing issues.

HELD: The Supreme Court held that the council acted in its legislative capacity and it was not the courts place to review the findings, in this case, blight determination, of the local legislative authority (council). The court could not substitute its opinion for that of the legislative authority and as the council could have easily recognized the area as blighted, it was not an arbitrary blight ruling on their part. The plan commission's recommendation was held to in no way bind the council as blight determinations are entirely vested in a city's legislative body. The court further held that redevelopers financing appeared adequate to fund the project. Hence, the council was not arbitrary in its approval of the plan. The lower courts decision was reversed and remanded to the opinion of the Supreme Court.

SCHWEIG v. CITY OF ST. LOUIS

569 S.W. 2d 215 (Missouri Court of Appeals, 1978)

SUMMARY: Plaintiff's appealed Circuit Court's dismissal of petition for declaratory judgement contesting the validity of an ordinance approving a redevelopment plan. The plaintiff's alleged that the ordinance was invalid due to procedural violations

and that the implementation of the redevelopment project should be enjoined. The court dismissed the petition, ruling that the plaintiffs did not show any cause of action challenging the two ordinances.

The Court of Appeals reversed the lower court's decision holding that portions of the plaintiff's petition did present causes of action. The court held that the plaintiff's had standing in alleging that the city code was not followed in the approval process of the redevelopment ordinances and that the redevelopment plan was therefore invalid. While the plaintiff's did have standing on the procedural issues of the city code, they did not have cause to challenge the legislative wisdom of the board of aldermen's approval of the ordinances. The plaintiff's alleged that their property values had decreased due to the redevelopment project and that as such, they had suffered a taking. The court, noting that plaintiff's due process rights had not been abrogated with the approval of the ordinances, did not find that any taking had occurred.

FACTS: In 1974, the St. Louis Board of Aldermen approved a redevelopment plan for the Maryland Plaza area. This plan included as blighted property parcels which had previously been excluded from a 1971 blighting ordinance for the same area. Plaintiff's filed suit in Circuit Court petitioned against the redevelopment ordinances. The court ruled that the plaintiff's petition did not present standing to challenge the ordinances and dismissed the case. The plaintiff's petition alleged that the redevelopment ordinance approving the redevelopment plan is void, arbitrary, unreasonable, capricious and unconstitutional in that:

(1) the ordinance was not accompanied by a corresponding blight determination from the plan commission;

(2) that the "blighted" area, with its recent improvements, is substantially similar to plaintiff's properties and that their being determined blighted lowers the value of the plaintiff's properties and therefore has caused a taking of the plaintiff's property;

(3) the proposed useage of redevelopment area (commercial) would destroy the areas residential characteristic depriving plaintiff's of their property rights;

(4) the redevelopment plan is inconsistent with previously approved housing policies for the city;

(5) the redevelopment plan approval constitutes a rezoning of the area without complying with the legal requirements for rezonings;

(6) the approval of the ordinances grants unfair tax and other advantages to private developers;

(7) and, the plan fails to state any proposed method of financing, characteristics of new construction in the redevelopment area, proposed method of relocation, characteristics of the current residents of the project area, or plans for building demolition.

ISSUE: Plaintiff's filed suit for declaratory judgment to contest the validity, and enjoin enforcement of, two redevelopment ordinances; one declaring the redevelopment area blighted and the other approving the redevelopment plan. The issue was whether or not the plaintiff's petition stated causes of action which would therefore grant them standing to challenge the ordinances.

HELD: The Court of Appeals' reversed the decision of the lower court. The appeals court held that the plaintiff's petition partially stated a cause of action and did allow them standing to challenge the redevelopment ordinances. The court held that:

(1) plaintiff's had standing to bring the suit;

(2) portions of the petition which claimed the ordinance approving the redevelopment plan was invalid due to alleged violation of the city code stated causes of action; and,

(3) portions of the petition alleging that the area was not in fact blighted and that the plan commission did not make a blight recommendation to the board of Aldermen stated causes of action. However, the Court of Appeals held that the plaintiff's petition did not state causes of action in alleging that:

(1) the blight ordinance was inconsistent with the previous "historic district" ordinance;

(2) improved properties in the area are not blighted;

(3) declaring improved properties blighted would reduce the value of the plaintiff's property;

(4) the blighting ordinance was being used to change zoning of properties; and,

(5) blight designations were approved for the purpose of giving tax and other improper advantages to redevelopers. The case was remanded.

YOUNG v. HARRIS

599 F.2d 870 (United States Court of Appeals, Eighth Circuit, 1979)

SUMMARY: The appellants appealed the denial of an injunction to halt progress on a redevelopment project alleged to be in violation of three federal statutes. The appellants argued that the project is, in fact, a state instrumentality due to the related activities of the redeveloper and the city, and is, therefore, proceeding in violation of federal statutes regarding relocation and city funding. The defendants argued against the requested injunction, citing that the project is not an instrumentality of the state and that its progress should not be halted by an injunction. The Court of Appeals affirmed the decision of the lower court.

FACTS: The appellants were low-income residents, present and past, living within the 106 acre Pershing-Waterman redevelopment area in St. Louis. Appellants sought an injunction enjoining the project alleging that the redevelopment project is in violation of the federal Uniform Relocation Assistance and Real Property Acquisition Policies Act (URA), the Housing and Community Development Act and the National Environmental Policy Act (NEPA). Appellants held that the project is in violation of the statutes as the activities of the private redevelopment corporation and city are so intertwined that the redevelopment project is, in fact, an instrumentality of the state. Appellants alleged that the projects continuance would cause them to suffer irreparable harm and requested an enjoinder of redevelopment activities (the project was two years old at the time of their request). The District Court granted a temporary restraining order and later dissolved it on the hearing date.

Respondents argued, and the court agreed, that:

(1) the developer was not required to provide relocation assistance as required by the URA;

(2) that the activities of the city and the private redeveloper were not sufficiently intertwined to characterize the project as a state instrument;

(3) that the use of Community Development Block Grant (CDBG) funds to make public improvements in the project area did not categorize the project as having received federal financial assistance;

(4) that any project receiving federal financial assistance would not be forced to follow the provisions of the URA;

(5) that the city's efforts to improve the redevelopment area should be viewed as separate from the actions of the private redeveloper and, therefore, the city did not have to provide a housing assistance plan in its application for CDBG funds;

(6) that the city did not have to include the proposed actions of the private redeveloper in its environmental assessment of its use of CDBG funds;

(7) that a preliminary injunction would cause greater harm to the public good through severely constricting the availability of private financing for needed redevelopment than would the projects continuance harm the appellants; and,

(8) that as the appellants had delayed two years from the projects initiation to bring forth their allegations, potential injury to appellants from the activities of the proposed plan did not appear to be great in the near future.

ISSUE: An appeal of the District Court's failure to issue an injunction halting a redevelopment project which the plaintiffs alleged to be in violation of three federal statutes.

HELD: The Court of Appeals affirmed the findings of the District Court. Specifically, the Court of Appeals held:

(1) URA relocation assistance procedures did not apply to projects not yet receiving federal financial assistance;

(2) that the project was not a state instrumentality and did not, therefore, fall under the provisions of the URA;

(3) the city was not required to present a housing assistance plan outlining relocation provisions to receive CDBG funds to use for municipal services;

(4) that the private nature of the housing actions of the redeveloper superseded the need for the city to include such actions in its environmental assessment of its use of CDBG funds;

(5) the lower court's findings were sufficient for denial of the requested preliminary injunction; and,

(6) that the lower court properly considered the two-year delay in the appellants seeking relief.

MARYLAND PLAZA REDEVELOPMENT CORPORATION v. GREENBERG

594 S.W. 2d 284 (Missouri Court of Appeals, Eastern District, 1979)

SUMMARY: The redeveloper appealed the Circuit Court's decision denying condemnation of property to be included in a redevelopment plan in St. Louis. The Circuit Court had held that the board of alderman's approval of the redevelopment plan, which did not include a detailed financing statement and only vague comments as to proposed methods of financing, was arbitrary and beyond the scope of the board's power. Therefore, the redevelopment ordinance was held invalid for failure to contain a detailed financing statement.

FACTS: St. Louis Board of Alderman approved redeveloper's plan, blighting the Maryland Plaza area, which is bounded by Kingshighway Boulevard, the alley north of Maryland Plaza, Euclid Avenue and West Pine, and granting it the power of eminent domain. The trial court granted condemnation on one of the three tracts of the redevelopment area, but refused condemnation on the other two. The trial court denied condemnation of one of the parcels on unspecified grounds. On the third parcel, the trial court denied condemnation due to the condemnation petition failing to contain a statement of the use for which the property was taken; that it failed to allege that the property was being taken for a public use; that appellants failed to establish a public use for the property and failed to prove a bona fide effort to agree on compensation and that the redevelopment plan did not consider redevelopment of the property in this tract.

Two years before this redevelopment plan was submitted, another redevelopment plan for the same parcels was denied as the area was declared not to be blighted. Respondents argued that:

(1) the plan commission failed to consider or recommend to the board of alderman regarding a particular portion of the area which was declared blighted;

(2) the area was not in fact blighted; and,

(3) the blighting of the area was part of a scheme to allow a taking of private property for private use.

ISSUE: The trial court's failure to grant condemnation of two parcels located within the boundaries of a proposed redevelopment plan approved by the St.

Louis Board of Alderman:

HELD: The court held that substantial evidence existed in which the board of alderman could have determined the areas in question to be blighted. A plan commission study found a substantial portion of structures on the property to be in need of significant repair and that the assessed valuation of the property had decreased over a ten year period of time. The court held that the approval by the board of alderman of a plan void of proper procedural process for redevelopment of blighted areas, as demonstrated in Chapter 29 of the Revised Code of St. Louis, allowed a taking of private property without just compensation. According to the court, the redeveloper did not comply with Chapter 29, which requires that a redevelopment plan "shall" contain a "detailed" financial statement of the proposed method of project financing. Therefore, the court held that the approval of the plan by the board of alderman was arbitrary and beyond the scope and powers of Chapter 29 pursuant to Chapter 353.

STATE ex rel. DeVANSSAY v. McGUIRE

622 S.W. 2d 323 (Missouri Court of Appeals, 1981)

SUMMARY: Realtors, DeVanssay, prayed that redevelopers statement of 353 project financing was not sufficiently detailed thus making the redevelopment ordinance, and subsequent condemnation proceedings, null and void. Realtors further requested determination and award of damages from this allegedly illegal taking of property.

FACTS: The court found that the proposed method of the redevelopers project financing was adequate. The redevelopment corporation and its affiliated companies were found to have substantial equity in the area to be redeveloped. Redeveloper's affiliates also had significant assets able to generate capital in excess of the proposed project cost. The Court of Appeals' writ of prohibition served to halt the jurisdiction of the lower court which found for the redeveloper and subsequent proceedings of property condemnation. The writ suspended the finding of the lower court in order to ascertain whether the damage to realtors from the destruction of their property prior to appeal might well be beyond redress resulting in an injustice. This action halted the demolition of realtor's four-family apartment located within the boundaries of the redevelopment project.

ISSUE: Realtor alleged that the redevelopers statement of financing was inadequate, thus the redevelopment project was illegal, and sought damages for the allegedly unlawful taking of his property.

HELD: The Court of Appeals held that it is nearly impossible for redevelopment corporations to delineate with particularity the precise sources of project financing. What is necessary in a redevelopers financial statement is an explanation of the methods by which the redeveloper proposes to obtain the money necessary to complete the redevelopment. In this case, the redeveloper provided such description and therefore the projects financing statement is adequate and the decision of the board of alderman to approve the project, in so far as its financing statement is concerned, should not be null and void. The writ of prohibition was used to halt possible redevelopment action to feasibly assess the value of realtor's property. Such writs are necessary in that if the judgement of the lower court had indeed been found to be in question the realtors damages due would be difficult to properly assess in that the value assessment of condemned property can be altered significantly as the land is incrementally rendered unusable for its prior purpose due to demolition and land clearance and other actions of redevelopers. However, the condemnation was not held to be an invalid taking of private property for a private use and that the realtors had no corresponding damages due.

STATE ex rel. WASHINGTON UNIVERSITY MEDICAL CENTER REDEVELOPMENT CORPORATION v. GAERTNER

626 S.W. 2d 373 (Missouri Supreme Court, 1982)

SUMMARY: The landowner of property within a proposed redevelopment area sought damages for rent allegedly lost due to the pendency of condemnation proceedings. The court held that the landowners remedy was through personal action sounding in tort, not through a counterclaim during condemnation proceedings.

FACTS: In 1977 landowner filed counterclaim against redeveloper, realtor, for loss of rental in light of condemnation between the date his property was declared blighted, 1975 and the time of the actual taking of the property resulting in his suffering full use

and enjoyment of his property and a resulting unlawful taking and damaging of his property. Landowner further alleged that the blight determination had caused his tenants to relocate, discouraged market activity in the area, encouraged vandalism and left his and surrounding properties in an uninhabitable state. The court found that under the state law of condemnation that no provision is made for compensating a landowner for the decline in value of his property between the date when the area in which his property lies is declared blighted and the date when the deure taking occurs. Redevelopers moved:

(1) to dismiss this counterclaim on the grounds that counterclaims cannot be maintained in condemnation proceedings;

(2) to file a writ of prohibition as a condemnee cannot bring a counterclaim in a condemnation action; and,

(3) that the claim for loss due to damages is a tort claim and should not be brought in a condemnation proceeding. The Circuit Court denied the motion of the redeveloper.

ISSUE: The redeveloper moved that the counterclaim by the landowner praying for damages allegedly suffered by reason of pendency of condemnation proceedings on his property was personal action to be sounded in tort as it did not involve damage to the property itself.

HELD: Supreme Court held that the landowners counterclaim is not valid in this standing as counterclaims are not applicable in condemnation proceedings. The court held that landowners relief lies in pursuing in separate action the claim alleged and stated in his counterclaim. The redevelopers requested preliminary writ of prohibition was ordered permanent.

WASHINGTON UNIVERSITY MEDICAL CENTER REDEVELOPMENT CORPORATION v. KOMEN

637 S.W. 2d 51 (Missouri Court of Appeals, 1982)

SUMMARY: An appeal from an order and judgement of St. Louis Circuit Court pursuant to condemnation proceeding instituted by redevelopment corporation (redeveloper) against the appellants (landowners). The trial court had overruled land-

owners motion to dismiss the case on lack of jurisdiction and granted redevelopers motion to enforce a settlement agreement between the parties by reducing it to judgement.

FACTS: In January, 1977 trial court entered an order of condemnation for landowner's property in response to redevelopers project. In September, 1977 redeveloper filed a motion to dismiss its cause of action. Within a weeks time, the redevelopment corporation then withdrew its motion to dismiss. In December, 1977 the appointed commissioners found that the landowners were damaged \$50,000. Landowners filed exception to damages award along with motion to dismiss the condemnation proceedings. Redeveloper had abandoned its cause of action when it filed motion to dismiss in September, 1977.

In June, 1978 parties filed a stipulation agreement resubmitting the damages issue to the commissioners and waiving all objections to the condemnation proceedings. In July, 1978 commissioners awarded \$56,000 in damages to landowners. Landowners again filed exception to damages award. Redeveloper paid \$56,000 into the court registry which the landowners withdrew in November, 1978. The trial for the landowners second exception to the awarded damages was still pending in June, 1980 when landowners offered to release and waive their claim for higher damages in exchange for \$14,000 (in effect, setting the total damages at \$70,000). Redeveloper accepted, but landowners subsequently refused to honor the agreement.

In September, 1980 the redeveloper filed a motion to enforce the settlement agreement. Landowners in response filed a motion to dismiss reasserting the redevelopers actions of September, 1977 arguing that at that time redeveloper had voluntarily dismissed the corporations cause of action. The trial court denied the landowners motion and granted motion of the redeveloper in that the January, 1977 condemnation hearing was held by the court to not be a preliminary hearing.

ISSUE: Whether or not the trial court had the jurisdiction to hear respondents motion to enforce a settlement agreement in condemnation proceedings.

HELD: The Appeals Court affirmed the findings of the lower court. The court held that the landowners motion to dismiss on grounds that the redevelopment corporation voluntarily dismissed its course of action in September, 1977 motion to withdraw was invalid because the redeveloper withdrew its motion to withdraw within a week and previous to any related action on the withdrawal by the trial court. The court held that the

January, 1977 condemnation hearing was not a preliminary hearing. As such, redeveloper's motion to withdraw did not follow any preliminary hearing, and they did not voluntarily forfeit their proceedings of condemnation. Therefore, the order and judgement of the trial court enforcing the settlement agreement was held valid.

LIA v. BROADWAY/OLIVE REDEVELOPMENT CORPORATION

647 S.W. 2d. 189 (Missouri Court of Appeals, 1983)

SUMMARY: Property owners of a building designated as a city landmark, and defined as being in an area determined blighted and appropriate for redevelopment, appealed City of St. Louis Circuit Court's denial of their petition for declaratory judgement and injunction with respect to the ordinance giving power of condemnation over their property to the developer.

FACTS: In 1981, the city adopted an ordinance giving the power of condemnation to redeveloper for a 353 project in the central business district. Among the parcels assembled for this project was the Towne Theater, according to its owners, a historic and architecturally significant structure. The owners filed a two count petition in 1982 seeking relief in the form of declaratory judgement that the redevelopment ordinance is void and an injunction to prevent the redeveloper from acquiring their property. The first count held that the ordinance was arbitrary, unreasonable and invalid due to the redeveloper's plan not containing an adequate financial statement and that the ordinance was part of an scheme allowing the unconstitutional taking of property. The second count alleged that the redeveloper did not properly take into account the historic and architectural significance of the Towne Theater. One month later, the redeveloper instituted condemnation proceedings in which property owners were named as defendants. Considering the property owner's suit, the trial court sustained the city's and redeveloper's motions for dismissal. The court held that the property owner had adequate remedy at law in that all of the allegations of their petition could be raised as defenses in any future condemnation action, such as that of the redeveloper, instituted to acquire their property.

ISSUE: An appeal from a motion to dismiss property owner's (appellants) petition for declaratory judgement and injunction of condemnation proceedings.

HELD: The Court of Appeals disagreed with the property owner's appeal that they had no adequate remedy at law as declaratory judgement issues are not to be raised in condemnation suits. The court held that the property owner's primary issue, the validity of the redevelopment enabling ordinance, is the initial inquiry in any condemnation action instituted pursuant to the ordinance granting powers of eminent domain. The property owner, thus, would have remedy by way of appeal in the condemnation action of the property by the redeveloper

**WASHINGTON UNIVERSITY MEDICAL CENTER
REDEVELOPMENT CORPORATION v. SEE**

654 S.W. 2d 192 (Missouri Court of Appeals, 1983)

SUMMARY: Appellant, redevelopment corporation, instituted condemnation proceedings to acquire four parcels of land owned by See. Landowner and redeveloper both filed exception to assessments on condemned property. A jury trial assessed respondents damages with judgements entered on the verdicts. Appellants did not file a motion for a new trial or file an appeal on the judgements and instead elected to abandon one of the four parcels ten days after the judgements became final. Redeveloper appealed trial court's denial of the election to abandon the condemnation proceedings on the one parcel.

FACTS: Redeveloper instituted condemnation proceedings in Circuit Court to acquire four parcels of land belonging to the landowner. After the Circuit Court entered its order of condemnation and appointed commissioners and received their report, both parties filed exception to the damage assessments of the four parcels. The jury assessed the damages on each parcel and judgements were entered. On the 40th day after the jury verdicts (the 10th day after the judgements became final), redeveloper elected to abandon condemnation of one of the four parcels and paid damages on the other three. On motion by landowner, trial court denied redevelopers abandonment because it was not filed within ten days of the jury's assessment of damages.

ISSUE: An appeal of the trial court's dismissal of the timeliness of the redevelopers election to abandon condemnation.

HELD: The trial court's order was dismissed and the case was remanded with directions to grant redeveloper's election to abandon condemnation of the fourth parcel. The condemner had ten days after receiving proper notice of the commissioners award of damages on the four parcels to abandon condemnation or file exceptions to the award (Rule 86). Rule 86 recognizes a condemner's right to ascertain the final price of a parcel and discontinue proceedings if the price is unreasonably high. The court held that the assessment of damages becomes final when it is no longer subject to change and it is from this point that the ten-day period in which a condemner may elect to abandon commences. In this case, the ten-day period began with the end of the thirty-day period prescribed for the trial court to take action on the judgement or for either party to file a notice of appeal. As such, when the redeveloper did abandon condemnation of the one parcel on day 40, their action was within the allowable time frame of their right to discontinue condemnation proceedings.

**COURT CASES RELEVANT TO
CHAPTER 353 PROJECTS IN MISSOURI**

YEAR	CASE	CITATION
1965	ANNBAR ASSOCIATES v. WESTSIDE REDEVELOPMENT CORP.	387 S.W. 2d 635, (Supreme Court of Missouri, Dec. 13, 1965).
1965	CONDUIT INDUSTRIAL REDEVELOPMENT CORPORATION v. LUEBKE	387 S.W. 2d 671, (Supreme Court of Missouri, Dec. 13, 1965).
1969	COUNCIL PLAZA REDEVELOPMENT CORPORATION v. DUFFEY	438 S.W. 2d 828, (Supreme Court of Missouri, April 14, 1969).
1974	PARKING SYSTEMS INC. v. KANSAS CITY DOWNTOWN REDEVELOPMENT CORPORATION	518 S.W. 2d 11, (Supreme Court of Missouri, Dec. 16, 1974).
1976	ALLRIGHT MISSOURI, INC. v. CIVIC PLAZA REDEVELOPMENT CORPORATION	638 S.W. 2d 320, (Supreme Court of Missouri, June 14, 1976).
1978	SCHWEG v. CITY OF ST. LOUIS	598 S.W. 2d 225, (Missouri Court of Appeals, May 16, 1978).
1979	YOUNG v. HARRIS	598 F.2d 870, (U.S. Court of Appeals, Eighth Circuit, June 13, 1979).
1979	MARYLAND PLAZA REDEVELOPMENT CORPORATION v. GREENBERG	584 S.W. 2d 284, (Missouri Court of Appeals, Nov. 13, 1979).
1981	STATE ex rel. DEVANSSAY v. McGUIRE	622 S.W. 2d 323, (Missouri Court of Appeals, July 28, 1981).
1982	STATE ex rel. WASHINGTON UNIVERSITY MEDICAL CENTER REDEVELOPMENT CORPORATION v. GAERTNER	626 S.W. 2d 373, (Missouri Supreme Court, Jan. 12, 1982).
1982	WASHINGTON UNIVERSITY MEDICAL CENTER REDEVELOPMENT CORP. v. KOMEN	637 S.W. 2d 61, (Missouri Court of Appeals, April 27, 1982).
1983	LIA v. BROADWAY/OLIVE REDEVELOPMENT CORPORATION	647 S.W.2d 188, (Missouri Court of Appeals, Feb. 2, 1983).
1983	WASHINGTON UNIVERSITY MEDICAL CENTER REDEVELOPMENT CORPORATION v. SEE	654 S.W. 2d 192, (Missouri Court of Appeals, May 10, 1983).
See also:		
1954	BERMAN v. PARKER	348 U.S. 26, 75 S. CT. 98, 88 L. Ed 27, (U. S. Supreme Court, November 22, 1954).
1954	DALTON v. LAND CLEARANCE FOR REDEVELOPMENT AUTHORITY OF KANSAS CITY	270 S.W. 2d 44, (Supreme Court of Missouri, July 12, 1954).
1954	LAND CLEARANCE FOR REDEVELOPMENT AUTHORITY OF CITY ST. LOUIS v. CITY OF ST. LOUIS	270 S.W. 2d 58, (Supreme Court of Missouri, July 20, 1954).
1959	STATE v. WEINSTEIN	328 S.W. 2d 398, (St. Louis Court of Appeals, December 3, 1959).

blight, financing, the exercise of eminent domain, and relocation. Illustrated in Figure 5 are the individual cases as they relate to each issue area.

Constitutionality

Constitutional issues regarding Chapter 353 have centered around two primary contentions:

1) That taking private property through eminent domain for use by private redevelopment corporations is a "private use," therefore violating the Fifth and Fourteenth Amendments of the Federal Constitution and comparable provisions of the Missouri Constitution, and

2) That granting preferential treatment through real estate tax abatement to private redevelopment corporations constitutes a violation of the equal protection clauses of both state and federal constitutions.

Interestingly, Chapter 353 projects operated in Kansas City for fifteen years before these constitutional issues were litigated.

The key case in upholding the constitutionality of Chapter 353 was *ANNBAR ASSOCIATES v. WESTSIDE REDEVELOPMENT CORP.* decided by the Supreme Court of Missouri in 1965 (See Appendix D, page 65, for individual case summaries). Prior to *ANNBAR* however, three non-353 cases

PRIMARY LEGAL ISSUES BY CASE

YEAR	CASE	CONSTITUTIONALITY	BLIGHT	FINANCING	EMINENT DOMAIN	RELOCATION
1954	BERMAN v. PARKER	•				
1954	DALTON v. LCRA OF KANSAS CITY	•			•	
1954	LCRA v. CITY OF SAINT LOUIS	•			•	
1958	STATE ex rel. CITY OF CREVE COEUR v. WEINSTEIN				•	
1965	ANNBAR v. WEST SIDE	•		•	•	
1965	CONOUT v. LUEBKE				•	
1968	COUNCIL PLAZA v. DUFFEY			•		
1974	PARKING SYSTEM v. K.C. DOWNTOWN	•	•	•		
1976	ALLRIGHT v. CIVIC PLAZA		•	•		
1978	SCHWEG v. CITY OF SAINT LOUIS		•			
1979	YOUNG v. HARRIS					•
1979	MARYLAND PLAZA v. GREENBERG		•	•	•	
1981	STATE ex rel. DEVANSAY v. McGUIRE			•	•	
1982	STATE ex rel. WASHINGTON UNIVERSITY v. GAERTNER				•	
1982	WASHINGTON UNIVERSITY v. KOMEN				•	
1983	LA v. BROADWAY / OLIVE			•	•	
1983	WASHINGTON UNIVERSITY v. SEE				•	

